



**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament

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From the Desk of the Chairman



First forget inspiration. Habit is more dependable. Habit will sustain you whether you are inspired or not. - Octavia Butler.

Dear Professional Colleagues,

I am sure that you all will agree that a Habit is nothing but persistence in practice. A habit will help you finish and polish your work, inspiration won't. It is rightly said that like every persistent practice, winning is a habit but unfortunately losing is a habit, as well. Therefore in order to keep winning we need to start breaking some habits which are keeping us away from attaining success.

You all might have been drenched in monsoon by the Mother Nature in this rainy season and some of you would be enjoying the season while some would be complaining. But one thing I am sure the showers of the activities of EIRC would have definitely drenched you all. The month of July was celebrated as **STUDENTS MONTH** and EIRC being the reigning Best Regional Council (for Students Months activities), had organised a variety of programmes for the students in this month to continue its winning streak. You can see detail reports on the activities in the inside pages of this newsletter.

The month of July started with the Celebration of completing one year of rollout of GST and we celebrated it as **GST Day** on 1st of July at EIRC. A one of its kind, **Classroom sessions on Companies Act** were organised on 5th & 6th of July where the basics details of the act were discussed. EIRC hosted **KMP Conclave: A Symposium on Quality of Professional Services** on 14th July and celebrated Capital Markets Week by organising a Mega Programme on 28th July. We joined hands with Indian Chamber of Commerce (ICC) for a **Half Day Programme on Ethics, Director's Report and Stressed Assets** on 7th July where as a Conference on Corporate Governance was organised on

21st July. On 26th July, we joined hands with Merchants Chamber of Commerce and Industry (MCCI) for a **Full Day Training Programme on Companies (Amendment) Act 2017 and SBO**.

We celebrated the **Foundation Day of EIRC** on 31st July where we acknowledged the valuable contribution and support of all the Past Leaders of EIRC for keeping the flag of profession flying high and helping EIRC to scale new heights.

I once again take this opportunity to request you all for your active participation and patronage for the **46th National Convention** which is scheduled to be held from 30th August to 1st September at Bhubaneswar, a grand success.

I am thankful for the constant support and guidance from my colleagues in Regional Council, Central Council Members and all my Predecessors at EIRC, in all my initiatives. I also acknowledge the efforts of EIRO officials under the leadership of Shri DVNS Sarma in giving their best to implement these initiatives.

Before concluding..... do remember that we are what we repeatedly do. Excellence, hence, is not an act, it's a habit.

Please feel free to share your views and suggestion to me. My coordinates are given below.

With warm regards,

CS Ashok Purohit
Chairman, EIRC of ICSI

e-mail: ashokp@emamigroup.com; chairman.eirc@icsi.edu
Kolkata

14th August, 2018

* Each page is linked with INDEX. i.e., if you click on page number in INDEX, than it will take you to that page & vice-versa.

Van Mahotsav organised on 1st July, 2018 at ICSI-EIRC House



EIRC organised Van Mahotsav on 1st July, 2018 at ICSI-EIRC House. Several Members, Students and Officials participated in the programme and plant saplings were distributed to the participants.

GST Day organised on 1st July, 2018 at ICSI-EIRC House



EIRC celebrated the completion of one year of rollout of GST as GST Day on 1st July, 2018. A Study Circle Meeting was organised to mark the occasion. CS Prateek Kaushik, GST Expert was the Keynote Speaker whereas CS Anil Dubey and CS Sudhir Banthiya were the moderators of the programme.

Classroom Sessions

“Reading the Book – The Companies (Amendment) Act, 2017 – with Experts” on 5th & 6th July, 2018, at ICSI-EIRC House



EIRC organised Classroom Sessions “Reading the Book – The Companies (Amendment) Act, 2017 – with Experts” on 5th & 6th July, 2018 at ICSI-EIRC House, Kolkata. CS Nitin Bagaria, Company Secretary & GM (Legal), Balrampur Chini Mills Limited interacted with the participants on Thursday, 5th July, 2018 and CS Atul Kumar Labh, Practising Company Secretary deliberated on Friday, 6th July, 2018. CS Jayabrata Mukherjee coordinated the sessions on both days.

Half Day Workshop on “Ethics, Directors’ Report and Stressed Asset” organised on 7th July, 2018



EIRC jointly with ICC has organised a Half Day Workshop on “Ethics, Directors’ Report and Stressed Assets” at ICC Auditorium, Kolkata on 7th July, 2018. Shri Nalin Kohli, Advocate, Supreme Court of India was the Chief Guest on this occasion and deliberated on “Ethics and Compliance is the new Normal”. CS Pawan Marda, Assistant VP and Company Secretary, Linde India Ltd and CS Mamta Binani, Past President, ICSI; CS S M Gupta and CS Siddhartha Murarka, Past Chairmen, EIRC also addressed the delegates

KMP CONCLAVE: A Symposium on Quality of Professional Services held on Saturday, 14th July, 2018 at The Park, Kolkata



EIRC organised “KMP CONCLAVE: A Symposium on Quality of Professional Services” on Saturday, 14th July, 2018 at The Park, Kolkata. The first session was of CS Shashikala Rao, Practising Company Secretary and Ex-Vice President, Reliance Industries limited who deliberated on “Processes and Expectations of Stakeholders, Regulators and Secretarial Audit”. CS Anjan Kumar Roy, Practising Company Secretary and Past Chairman, EIRC of ICSI deliberated on “Audit and Certification Work – Need, Importance and Challenges”. CS V Sreedharan, Practising Company Secretary and Past Council Member, ICSI discussed about “Peer Review Mechanism – Ethics and Code of Conduct, Audit and Attestation Services” and CS Rupanjana De, Practising Company Secretary deliberated on “Corporate Social Responsibility – Get Ready for CSR Audit”.

Conference on Corporate Governance organised on Saturday, 21st July, 2018 at ICC Auditorium



EIRC organised a Conference on Corporate Governance at ICC Auditorium on 21st July, 2018 where CS R Kalidas, Company Secretary & Head, Compliance, ACC Limited; CS S Sudhakar, Vice President, Corporate and Secretarial, Reliance Industries Limited; Shri Arka Majumdar, Partner, Argus Partners; Shri Srikanth Gopishetty, Vice President Legal, Spencer’s Retail; CS Mamta Binani, Past President, ICSI; CS Ashok Purohit, Chairman, EIRC of ICSI and CS Rupanjana De, Member, EIRC of ICSI deliberated on this occasion.

Parents Teachers Meet & Faculty Induction Program at ICSI EIRC held on 22nd July 2018



National Flag Adoption Day observed on 22nd July 2018 at ICSI EIRC House



Faculty Induction Programme held on 22nd July 2018 at ICSI - EIRC House



NEWS & EVENTS

Full Day Training Programme on Companies (Amendment) Act 2017 and SBO organised on 26th July, 2018 at MCCI Conference Hall



EIRC jointly with MCCI organised Full Day Training Programme on Companies (Amendment) Act 2017 and SBO on Thursday, 26th July, 2018 at MCCI Conference Hall, Kolkata. CS Divesh Goyal, Practising Company Secretary; CS Amit Gupta, Practising Company Secretary and CA Sumit Binani, Vice Chairman, EIRC of ICAI were the Guest Speakers on this occasion. CS Mamta Binani, Past President, ICSI was present on this occasion.

Full Day Training Programme on Companies (Amendment) Act 2017 and SBO organised on 26th July, 2018 at MCCI Conference Hall



EIRC organised Mega Programme on the occasion of ICSI Capital Market Week on Saturday, 28th July, 2018 at The Gateway Hotel EM Bypass Kolkata. CS Ashok Pareek, Past Council Member, ICSI; CS Mamta Binani; Past President, ICSI and Shri Alok Samantarai, Regional Director (ER), MCA addressed the delegates. Shri Ankon Ray, AGM, SEBI ERO elucidated the role of SEBI in Capital Market Performance and Transformation. CS Vinod Kothari, Practising Company Secretary and Past Chairman, EIRC of ICSI deliberated on SEBI LODR (Amendment) Regulations 2018. Dr V R Narasimhan, Ex-Chief (Regulations), National Stock Exchange of India deliberated on the topic "Governance and Technology – Opportunities and Challenges of Indian Capital Market" and CS Rajesh Chura, President – Operations, Dalmia Securities Pvt Ltd discussed about Capital Market Compliances.

The only things we have to fear is fear itself – Franklin D. Roosevelt

ICSI EIRC FOUNDATION DAY OBSERVED ON 31ST JULY 2018 At ICSI EIRC House



CAMPUS PLACEMENT FOR MTs HELD ON 31ST JULY, 2018 AT ICSI-EIRC HOUSE



As part of the Students' Month Celebration throughout July, 2018, The Institute of Company Secretaries of India, Eastern India Regional Office, organised Campus Placement for its Students seeking Management Training on 30th July, 2018 at ICSI-EIRC House, 3A, Ahipukur 1st Lane, Kolkata. Total 11 Companies and 10 PCS Firms attended the Event as Recruiters whereas reasonable number of students appeared before the Interviews.

ARTICLE

AMBIGUOUS NATURE OF RD-1 FORM WHEN FILED FOR APPROVAL REGARDING AUDITOR REMOVAL BEFORE IT'S TERM OF SERVICE.

Ambiguous nature of RD-1 form when filed for approval regarding auditor removal before it's term of service.

During the process of unlocking provisions of Companies Act, 2013, I have realized that Section 140 (1) ADT2 has been a topic of debate by most of the professional the reason being so much difference in what Act(companies act2013) says and what we see in mca form filing help kit. To understand it we need to understand when we need to file ADT2 and it's related section and rules. So an attempt has been made from my side to discuss critical aspects and various issues w.r.t. such issue . I hope the write up below would be of some help to understand the provisions regarding filing ADT2. ADT2 is filed when auditor is removed before expiry of his term of service. Removal of auditor before it's terms of service is covered in Section 140 of Companies Act 2013 read with rule 7 of Companies (Audit and Auditors) Rules, 2014.

Section 140 of Companies Act 2013

(1) The auditor appointed under section 139 may be removed from his office before the expiry of his term only by a special resolution of the company, after obtaining the previous approval of the Central Government (Regional Director) in that behalf in the prescribed manner:

Provided that before taking any action under this sub-section, the auditor concerned shall be given a reasonable opportunity of being heard

Section 139 talk about appointment of auditor in Annual General Meeting. Hence we can conclude that to remove a auditor who have been appointed in AGM can be removed by Board resolution followed by Central Government approval then special resolution by Shareholders of the company. Point here to be noted.

- 1)the word special resolution has been underlined by my to indicate the fact that that only SR can help to do the necessary process and not the OR(ordinary resolution).
 - 2)the power of Central Government for such kind of approval has been transferred to regional director by notification No S.O. 4090(E) Dated 19/12/2016
 - 3)As section 140 talks about removal of those who have been appointed Agm hence it can be concluded that removal of those auditor who have been appointed as first auditor by Board in board meeting can be removed without Central Government approval (now Power with Regional Director)
- Companies (Audit and Auditors) Rules, 2014

Rule 7. Removal of the auditor before expiry of his term.-

(1) The application to the Central Government for removal of auditor shall be made in Form ADT-2 and shall be accompanied with fees as provided for this purpose under the Companies (Registration Offices and Fees) Rules, 2014.

(Form No. ADT-2 Substituted w.e.f. 16th February, 2018)

Now let us understand, why this topic is confusing the reason being when u actually go file ADT2 as an attachment to RD1 form and check Rd1 form filing help kit you discover they are asking to attach resolution of EGM in which Shareholders approved such conduct whereas when we see companies act it clearly says take approval of Central Government then opt for Shareholders approval.

This create delima as which way to go.

The logical solution is to follow Act as the attachment asked in RD 1form regarding Shareholders approval is an optional attachment and the only mandatory attachment asked is grounds on which application is made, so we can excuse those parts which is ambiguous to the and proceed in desirable direction which is prescribed by companies act 2013.

Moreover ADT2 form also ask for details of grounds for seeking removal of auditor as mandatory attachment.

So to summarize the whole step we can say first there need a board meeting in which resolution needed to be passed then within 30day of such resolution file ADT2 in RD 1 with necessary attachments in mca portal to obtain there approval. Once the approval obtain make steps to call EGM to get special resolution within 60day of such approval and file Mgt 14.

Disclaimer: This write up is intended to start academic discussion on few significant interpretations under Companies Act, 2013. It is not intended to be a professional advice and should not be relied upon for real time professional facts. Readers are advised to refer relevant provision of law before applying or accepting any of the point mentioned above. Author accepts no responsibility whatsoever and will not be liable for any losses, claims or damages which may arise because of the contents of this write up.

I am hopeful that this write up would be of some help w.r.t. your professional working and endeavors under Companies Act, 2013



CS Manisha Lundia
Article Writer

SPECIAL ANNUAL MEMBERSHIP SCHEME OF EIRC OF ICSI FROM 01.06.2018 TO 31.01.2019

Members who missed the opportunity to enroll for the Annual Membership Scheme (AMS) 2018, EIRC of ICSI brings an opportunity to take benefit of Special AMS for Individual Members for the remaining period of current AMS (i.e. from 1st June, 2018 to 31st January, 2019). It includes free participation in the following programmes:

- 29th Annual Regional Conference of EIRC
- 2 Full Day Programmes and 3 Half Day Workshops
- Other programmes like Study Circle Meetings / Interactive Meetings/ Joint Programmes with other professional bodies etc.

You can enroll for the Special AMS by paying the fee (including gst) given below:

- Rs. 6000/- only for members who got membership on or after 01.04.2015
- Rs. 7000/- only for members who got membership on or after 31.03.2015

Payment may be made in Cash or by Cheque / DD drawn in favour of "The Institute of Company Secretaries of India - EIRC".

Online Payment can be made through the following link:

<https://paytm.com/education?op=The%20Institute%20of%20Company%20Secretaries%20of%20India&type=registration>

So, hurry now and enroll in this special scheme asap to avail optimum benefits.

ANNUAL MEMBERSHIP AND CERTIFICATE OF PRACTICE FEES FOR 2018-19

The Annual Membership and Certificate of Practice fee for the year 2018-19 became due for payment w.e.f. 1st April, 2018 and last date for payment **extended upto 31th August, 2018**. Members are requested to pay the fee along with applicable GST before the last date. The fee payable is as follows:-

Particulars	Associate(admitted till 31.03.2015)	Associate**(admitted on or after 01.04.2015)	Fellow
Annual Membership fee*	Rs. 2950	Rs. 1770	Rs. 3540
Entrance fee*	Rs. 2360	Rs. 2360	Rs. 2360
Restoration fee*	Rs. 295	Rs. 295	Rs. 295
Certificate of Practice fee*	Rs. 2360	Rs. 1770	Rs. 2360

* Fee inclusive of applicable GST@18%.

** Annual Membership Fee of Rs.1770/- and Certificate of Practice fee of Rs. 1770/- w.e.f. 01-04-2017 for associate members who were admitted on or after 01-04-2015 are valid for initial two years only including the admission year (irrespective of date of obtaining the Certificate of Practice in the year of admission) and the following year. The Annual membership and Certificate of Practice fee will be automatically revised to full thereafter.

MANTRAS OF HEALTHY LIFE FOR A PROFESSIONAL PERSPECTIVE

Human Life is the most important gift of God to civilisation. It has contributed immensely in the field of science, Art, Humanity, Transportation system, Agriculture, and Medical field. In pursuit of achieving new goals, meeting deadlines, normally a professional man do loss focus for his own well being for good health. Health and happiness are two most important attributes upon which real success of a professional being may be measured. Life has four basic characteristics:

1. Exists,
2. Evolves
3. Expresses and 4. Extinguishes.

And for all these, life really depends on five basic elements: Earth, Water, Air, Ether, and Fire.

According to Ayurveda, life does not consist of any rigid order or fixed compartment, rather it is a harmonious and natural flow of all these basic elements. Even these basic five elements – which the whole universe is made up of – are not in tight compartments of defined objects. They do flow into one another: fire can not exist without air, similarly earth and water have space within them.

Being healthy means to be physically strong, mentally calm and emotionally soft inside. You are not healthy when you feel rough inside, mind is stiff and is in judgemental mode, it is not sign of good health. When emotions are rough, one is not emotionally healthy. Good Health flows from the inner most to the outer, and also from outer to the inner.

The Holistic approach towards healthy life includes - exercise, balance diet, breathing, good sleep, positive attitude and meditation. One can attain good health by attending to ether element. If your mind is clogged with too many impressions and thoughts, it is draining immunity and preparing body for illness.

If the mind is clear, calm, meditative and pleasant, the body's resistance power will increase and lead to healthiness. Ether is most vital to calming the mind.

Air element in the form of breathing and aromatherapy can be used to create a positive change in entire body system. By energising our system with proper breathing, (Pranayam) one can prevent illness before it enters into human body. As per Maharshi Patanjali's regular yoga stop pain, sorrow before it arises, to burn the seed before it sprouts. our breathing system has a lot of secrets to offer great benefits to us, because for every emotion in the mind, there is corresponding rhythm in breath, and each rhythm affects certain parts of the body. Observing this correlation between sensation and mood of the mind and attending



CA. VINOD AGRAWAL
*Chairman- Vinod positive
foundation*

to it, is meditation.

Fasting and purifying body system with water bring a lot of balance in the body system. Lot of disease is cured or even prevented by proper intake of water. Water in pure form is the best natural medicine for all beings.

Herbs, vegetables, fruits, medicines are representative of earth element and all this come in the final stage when every thing else fails or when one neglect other steps and illness become inevitable.

Right food habits is vital for balancing of inflow/outflow of energy. eat only as much is essential. Food should be simple, fresh, well cooked on fire and less oily and spicy. Vegetarian food leads for better health scenario in older ages.

One should take one week off every year from his normal work schedule to align oneself with nature. Wake up with sun, eat right food in right quantity, do regular yoga and breathing exercise, few minutes of singing and/or dancing, keeping maun and enjoying nature in pure form. By doing these, whole mental and physical system gets recharged and one will feel vibrant, enthusiastic and full of energy to take more challenges in professional and personal life.



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This is to inform to all that views and information expressed and provided in the Articles of this edition are the views and information of the respective authors. They have no connection with the organisation with which the authors are associated. ICSI-EIRC is not responsible for the authenticity or propriety of the contents of the Articles and ICSI-EIRC cannot be held responsible or liable for any claim or damage arising out any ation or belief on the basis of the contents of the aforesaid Articles. ICSI-EIRC is not in any way responsible for the result of any action taken on the basis of the advertisement published in ICSI-EIRC Newsletter.

PREVENTION OF MODERN CORPORATE FRAUDS

Today everyone is talking about good corporate governance. No one in corporate world will deny its existence. Good corporate governance ensures transparency and accountability and ensures effective investment in corporate world. This topic was not in vocabulary a few years ago. Governance implies a degree of control to be exercised by every stakeholder representative. Good governance implies that the institution is run for the optimal benefit of stakeholder in it. It attempts to remove corporate failures and dissatisfaction of its stakeholders. In the modern era of liberalization and globalization, corporate governance plays an important role. The Corporate Governance framework ensures that timely and accurate disclosure is made on all material matter regarding the corporation, including the financial situation, performance and ownership. It improves capital efficiency of companies and attempt to deploy their wealth in productive areas of economy.

As ownership of a company is distributed amongst a large number of shareholders. Majority of who hold a small percentage of company's capital, the company is managed by the elected board of directors and the chairperson who, with the help of managers and employees of firm look after interests of the company stakeholders. The top level managers have the prime responsibility to use organization's resource with commitment and dedication to ensure organizational success.

Corporate governance is about commitment to values and about ethical business conduct. It is about how an organization is managed. It includes its corporate and other structures, its culture, policies and the manner in which it deals with various shareholders.

Well functioning financial market is essential part of any modern healthy economy. It is through this market that funds are offered by the lender, saver who have excess funds and purchased by the borrowers/spenders who need those fund. Financial market in India consists of money market, government securities, capital market, insurance market, foreign exchange market and derivative market. It is only through financial market that various companies raises finance by issuance of shares, debentures. Public company issue prospectus for raising finance, whereas private companies cannot raise the finance from public. Even government when it wants to raise long term finance it will often sell bonds to the capital markets. Capital market can be distinguished from money market. Though both are the part of financial market. However the money market are used for raising of short term finances whereas capital market are used for raising of long term finances. Till the early 1990s most of financial markets were characterized by controls over the pricing of financial assets restrictions on flows or transactions, barrier to entry, low liquidity and high transaction costs. From 1991 onwards, financial market reforms have been emphasized the strengthening of the price discovery process easing restrictions on transactions, reducing transaction costs and enhancing systematic liquidity.

Moreover the recognition of issues relating to good corporate governance is due to various frauds in market i.e. Harshad Mehta fraud, Satyam fraud, Sahara estate corp fraud, Sharda chit fund fraud and PNB fraud (i.e. Nirav Modi fraud) etc. Every year there is new fraud in corporate world. More importantly India is in top list of fraud. These frauds expose the loopholes in regulatory system and need to impose stringent penalty on defaulters. The fraud in market not only affect the company's reputation, the investor's interest but also the development of country as if there will be scam then the common people would not invest in a company and hence there will be shortage of finance which in turn will affect development of the country. Like other countries India has also enacted various legislations and established various authorities to regulate the market and protect the interest of investors. This legislation will also ensure the accountability of board of directors, being transparency. But despite of a lot of legislation fraud are rampant in India.

The general meeting of the company is considered as an important event where the individual shareholders discuss the way in which the company is being managed by the board. However due to various factors shareholders do not utilize the forum of annual and other general meetings for majority of members do not attend the general meetings. Even those who attend are generally passive observers rather than active participants. The prime reason for the passivism is that shareholders have insufficient knowledge, information about the nature and impact of the decision taken by the management.

Moreover, individual shareholders in large companies hold a very small portion of shares they are

not interested in the business operation or in the long term goals of the company but are rather interested in the maximization of their profits through either selling their shares or receiving dividends. The shareholders are not interested in the management of the corporation.

There are many legislations in our country to prevent corporate frauds. Despite of having so many legislations and establishment of various authorities like SEBI, Registrar of Companies and National Company Law Tribunal and by enactment of various laws like Companies Act and other corporate laws and by introducing various amendments various scandals have been committed which affect the whole society especially the investor. The spate of recent scandals reveals involvement of all the players. In Satyam Scam there was a fraud of Rs. 78 billion as revealed by former chairman B. Ramalinga Raju in his historic confession letter. Satyam has adopted advanced accounting standards but has caused such a colossal and global fraud which is clear eye opening for corporate counsel worldwide.

In order to prevent corporate frauds there is a need of having strong corporate governance practices. There should be adequate level of checks and balances in the system to prevent frauds. Heavy fines and strict penalties are required to be provided under the corporate laws in order to stop frauds. The Satyam scandal has reiterated the importance of checks on related party transactions.

In the area of securities regulation SEBI has made numerous changes in recent years such as introduction of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has stringent laws to regulate listed entities and it also promotes good corporate governance practices. SEBI also brought out new rules in 2009 requiring greater disclosure by promoters (i.e. controlling shareholders) of their shareholdings and any pledging of shares to third parties.

Throughout the whole experience of capital market scams, the pattern of failure of SEBI as a regulating authority has more or less remained constant. Poor market vigilance and lack of market intelligence have been the primary cause of failure of SEBI to prevent capital market scams. The fraud in capital market can be prevented by taking following measures –

- 1) Framing of independent investigation agencies to be headed by professionally trained capital market analysts.
- 2) In case of cross border securitization transactions where the assets and investors belong to different countries, there is a risk to the investor in the form of non-payment or impose of additional taxes on the income repatriation. This risk can be mitigated by having a foreign guarantor.
- 3) Sometimes the collateral against which credit is sanctioned to the obligor may undergo a severe deterioration. When this coincides with a default by the obligor then there is a severe risk of non-payment to the investors. So the provision should be made for payment to investor.
- 4) There should be a fixed tenure beyond which an independent director should not be associated with a company. An aggregate limit of nine years has been prescribed under clause 49 VII (ii) of the equity listing agreement, but such a requirement is not mandatory. So this should be mandatory.
- 5) There should be a separate meeting of independent directors of the company.
- 6) There should be a clear demarcation of the roles and responsibilities of the Chairman of the Board and that of the Managing Director/CEO. The roles of Chairman and CEO should be separated to promote balance of power.
- 7) Companies should have a strong risk management framework. Whistle blower policy is to be made mandatory for all listed companies to encourage transparency.
- 8) Listed companies must have a nominating/corporate governance committee composed entirely of independent board members. The committee must have a written charter that addresses its purpose and responsibilities.
- 9) The constitution of Corporate Compliance Committee should be made mandatory in respect of all public limited companies having a paid-up capital of Rs. 5 crores or more.



CS. Vikash Kumar Khetan
Company Secretary,
Dhoot Developers Pvt Ltd.

10) Constitution of Investor Relations Cell should be made mandatory for listed companies. The Investor Relations meet after declaration of financial results should be compulsory in case of companies having a market capitalization of Rs. 1000 crores or more.

11) Section 141 (3) (g) of Companies Act, 2013 provides that a person can become auditor for 20 companies. Auditor acts on behalf of shareholder. The maximum limit provided is too much. By giving license to auditor for acting 20 companies at the same time would adversely affect his efficiency and interest. As he may take interest only in remuneration and not actively in the company.

12) Section 188 of Companies Act, 2013 deals with related party transaction. There is no need of this section. As there is also Section 184 where the director has to disclose all contract in which he is interested. The word "contract" is wide enough to include all related party transaction.

13) Section 196 of Companies Act, 2013 provides that a person may be appointed or employed as Managing Director or Manager till the age of 70 year. The age of 70 year is too much. As in most of the jobs a person retire at the age of 60. So the age of 70 should be decreased to 60. There shall be

no re-appointment of Managing Director or Manager after that age.

114) Certain reforms are needed to improve the quality and timeliness of corporate disclosure of most listed companies in India. Such reforms are to be made for benefit of stakeholders.

15) Listed companies are to be encouraged to provide both cash flow statements and balance sheets with their quarterly reports.

Now here what are needed is not more laws but their implementation and removal of loopholes in existing laws. The problem lies with the implementation. If a crime is committed it does not mean that there is no law but it means that there is violation of law. So if fraud is committed in market then it means that there is violation of corporate laws. The authority should take timely action for preventing such further fraud in future and must impose stringent penalty for their violation. The investors should not only be concerned in taking dividends but they should also look into the affairs of the company.

In these way corporate frauds can be prevented.

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Full Page (inside)	Colour	Rs.10,000/-	Rs.5,000/-
Half-Page (inside)	Colour	Rs.6,000/-	Rs.3,000/-

Members are requested to contribute by giving advertisements in the ICSI-EIRC Newsletter. The fund so generated will strengthen the financial position of EIRC of ICSI.

SECTION 185 OF THE COMPANIES ACT, 2013- PLETHORA OF CHANGES

Section 185 of the Companies Act, 2013- Plethora of Changes

One section, amongst many other sections, that has been through series of changes under the Companies Act, 2013 (referred to as CA, 2013) is section 185- Loans to Directors. This section was meant to curb the misuse of the funds of the company by its directors or their interested entities and has been in the purview of the corporate world since the time it was notified under CA, 2013. Section 185 is replacement to its erstwhile Section 295 of Companies Act 1956 and has come a long way so far in terms of changes and its applicability upon the companies.

Let us take a look at the series of changes that this particular section has witnessed and how far this section has come up. We would also look after the changes that the Companies Amendment Act, 2017 (referred to as CA Amendment, 2017) has brought to this section and how far the change is justified.

The first trace of this Section goes back to its enforcement back in September 12, 2013 in CA, 2013. This particular section was applicable on both private and public companies and it stated total prohibition on giving loans to its directors or their relatives. Section 185(1) of CA, 2013 prohibits any company from:

- giving any loan, directly or indirectly, to a director of the company or to whom the director holds his interest;
- giving any guarantee or security to a third party on behalf of the director of the company or to whom the director holds his interest.

Indirect loan here does not intend to convert a transaction which is not in the nature of loan into a loan, for eg. A debt not in the nature of loan cannot be categorized as indirect loan. Loan given through one or more intermediaries cannot be termed as indirect loan under this section.

Exempted Loan, Guarantee and Security

The following transactions did not attract section 185:

- giving of any loan to a managing or whole-time director as a part of the conditions of service extended by the company to all its employees or pursuant to any scheme approved by the members by a Special Resolution;
- giving loans, guarantees or securities in ordinary course of business and in respect of such loans an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India.

First tranche of changes under this Section was brought by Companies Amendment Act, 2015, by addition the following transaction as exempted loan, guarantee or security under this section, effective from May 29, 2015:

- loan made by a holding company to its wholly owned subsidiary company or any guarantee given or security provided by a holding company in respect of any loan made to its wholly owned subsidiary company, for its principal business activities;
- any guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company, for its principal business activities.

Since this Section was applicable on all companies, the private companies simply turned their thumbs down towards this Section. Second tranche of changes under this Section was brought by notification regarding exemption to private compa-

nies dated June 05, 2015 which brought a sense of satisfaction to private companies, but, with a catch. This exemption was not applicable to those private companies who has any body corporate shareholder; or if its borrowings is more than twice of its paid up share capital or Rupees fifty crores, whichever is lower; or if it has defaulted in repayment of such borrowings subsisting at the time of making transactions under this Section.

Section 185- Present day Scenario

CA Amendment, 2017 has entirely amended the Section, hereby giving some amount of relief while entering into transactions under this Section. It will be interesting to note that the Section which previously started with the words "save as otherwise" has been omitted in CA amendment, 2017 and now these words are replaced by "no company". While previously if any other section allowed such transaction, then that particular section would win over Section 185. With the aforesaid replacement in the Amendment Act, the confusion gets sorted out.

Sections 185(1) of CA Amendment, 2017 prohibits any company from advancing any loan, directly or indirectly, or give any guarantee or provide any security in connection with any loan taken by;

- any director of the company;
 - any of the director of its holding company;
 - any partner or relative of any of the director the company;
 - any firm in which any of the director of the company or their relative is a partner.
- Apart from prohibiting loans/ guarantee/ security to the above the Section still allows some transactions subject to the condition that a Special Resolution is passed by the company in General Meeting and the explanatory statement of the notice of the meeting should give the full particulars along with manner of utilization by the recipient of the of Loan/ guarantee/ security and any other relevant details. In case of loans, it must be utilized by the borrowing company for its principal business activities. The company can give loan/ guarantee/ security to the following:
- any private company of which any such director is a director or member;
 - any body corporate at a general meeting of which not less than twenty-five per cent of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together; or
 - any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the board, or of any director or directors, of the lending company.

It would be interesting to note that unlike the earlier version, the amended Section has clarified the doubts regarding prohibitive or restraining transactions which have surely eased out the ways of doing business. In other words, the restraining transaction can still be carried out just by passing special resolution. Also, the section does not specifically mention passing the resolution prior to the transaction, and thus post Special resolution for the relevant transactions are also justified.



CS Shikha Maloo
*Executive Company Secretary,
Rupa & Company Limited*


NOTICE UNDER RULES 6 AND 21 READ WITH CLAUSE (3) OF SCHEDULE 2 OF THE COMPANY SECRETARIES (ELECTION TO THE COUNCIL) RULES, 2006
IMMEDIATE AND URGENT ELECTION MATTER

31st July, 2018

Eligibility of Members to Vote

1. The duration of the 12th Council and the Regional Councils shall expire on 18th January, 2019. The elections for constitution of a new Council and Regional Council are tentatively scheduled on 14th December, 2018 at all places except Delhi, Mumbai and Kolkata. The elections at Delhi, Mumbai and Kolkata are tentatively scheduled for two days i.e. on 14th and 15th December, 2018.
2. Rules 5 of the Company Secretaries (Election to the Council) Rules, 2006 provides that a member, whose name is borne on the Register of Members on 1st day of April, 2018 shall be eligible to vote in 2018 elections from the regional constituencies within whose territorial jurisdiction his/her professional address falls on the said date provided that his/her name has not been removed from the Register on the date of publication of the list of voters. If the professional address is not borne on the Register on the relevant date, the residential address borne on the register shall determine his/her regional constituency.
3. In the case of members having their professional addresses outside India and eligible to vote, their regional constituencies shall be determined according to their professional addresses in India registered immediately before they went abroad or the residential addresses in India borne on the Register of Members on the relevant date, whichever is later.
4. The professional address of the members whose names are borne on the register as on date are available on the Website of the Institute at <https://www.icsi.edu/Member/MembersDirectory.aspx>
5. A CD carrying the list of members as on 1st April, 2018 is available for members on payment of Rs. 280/- (Rupees two hundred and eighty only including GST). A member interested in purchasing a copy of the CD may remit Rs. 280/- by way of cheque at par or demand draft payable at New Delhi favouring "The Institute of Company Secretaries of India", to the Directorate of Membership, 'ICSI House', C-36, Institutional Area, Sector -62, Noida -201309 (UP).
6. The annual membership fee for the year 2018-19 became due on 1st April, 2018. The last date of payment of fee has been extended upto 31st August, 2018. The names of members, who do not pay the annual membership fee for the FY 2018-19 by 31st August, 2018, shall stand removed from the Register of Members w.e.f. 1st September, 2018 and such members will not be eligible to vote or stand for election even though their names appeared on the Register of Members as on 1st April, 2018. In order to exercise their franchise, the members are advised to pay the annual membership fee for 2018-19, if not already paid, by 31st August, 2018.
7. Members whose photo and/or signature are not uploaded on the ICSI portal may ensure that the same is duly uploaded on the portal, as it would be required at the polling booths for verification by the polling officials. In case of any difficulty in uploading, member may send his/her scanned photo/signature in .jpeg format indicating his/her name and membership number at email id: mohd.aabid@icsi.edu.
8. A member who has not yet obtained Identity Card may apply for the same by sending a scanned image of his/her latest photograph in .jpeg format indicating his/her name and membership number at email Id: saurabh.bansal@icsi.edu.

(CS Dinesh Chandra Arora)
Returning Officer, 2018 Elections

Corrigendum
NOTICE UNDER RULES 6 AND 21 READ WITH CLAUSE (3) OF SCHEDULE 2 OF THE COMPANY SECRETARIES (ELECTION TO THE COUNCIL) RULES, 2006

In pursuance to clause (3) (ii) of Schedule 2 of the Company Secretaries (Election to the Council) Rules, 2006 notice dated 5th July 2018 has been hosted on the website of the ICSI. Members are request to take note of the following corrections in the notice dated 5th July 2018

1. Address of polling booth W-15 at Indore be read as :

W-15	INDORE CHAPTER OF WIRC OF ICSI, B/1-2-3 ASHRAY APARTMENT, 2/1 MANORAMAGANJ (NEAR MAYANK HOSPITAL PALASIA), INDORE - 452001
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2. Only one polling booth "ICSI Thane Chapter, 201-202 Sai Plaza complex, Kapurbavdi Junction Ghodbunder Road , Thane West" is proposed to be set up at Thane and there is no polling at Rajendra Pal Mangla School, Station Road, Opposite Bank of Maharashtra, Near Railway Station, Thane East (W-21) at Thane. Hence, request for option for allocation of preferred polling booth is not applicable for the members having their address in terms of Rule 5 at Thane.

(CS Dinesh Chandra Arora)
Secretary and Returning Officer

Note: Typographical errors in addresses of polling booths have been rectified.



**THE INSTITUTE OF
Company Secretaries of India**
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament.

NOTICE UNDER RULES 6 AND 21 READ WITH CLAUSE (3) OF SCHEDULE 2 OF THE COMPANY SECRETARIES (ELECTION TO THE COUNCIL) RULES, 2006

As you are aware, the duration of the 12th Council and Four Regional Councils shall expire on 18th January, 2019. The election for constitution of a new Council and Regional Councils are tentatively scheduled on 14th December, 2018 at all places except Delhi, Mumbai and Kolkata. The elections at Delhi, Mumbai and Kolkata are tentatively scheduled on two days, i.e., on 14th and 15th December, 2018.

2. In pursuance of Rule (3) (i) of Schedule 2 of the Company Secretaries (Election to the Council) Rules, 2006, it is proposed to have polling booths at addresses given in Column 3 of the following table at places which would have more than one polling booth:

Table: Addresses of Polling Booths :

PLACE	BOOTH NO.	ADDRESS
Kolkata	E-1	Eastern India Regional Office of the ICSI, ICSI-EIRC House, 3A, Ahiripukur, 1st Lane, Kolkata - 700019
	E-2	The Park Institution, 12, Mohanlal street, Shyambazar, Kolkata – 700004
	E-3	The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata – 700001
	E-4	Khalsa High School 73, Paddapukur Road, Bhowanipur, Kolkata – 700020
	E-5	Sarada Prasad Institution , 108/18, Bidhan Nagar Road, Kolkata – 700067
Delhi/New Delhi	N-1	Northern India Regional Office of the ICSI, 'ICSI-NIRC Building, Plot No. 4, Prasad Nagar Institutional Area, New Delhi – 110005
	N-2	Banga Sanskriti Bhawan, 18 - 19, Bhai Veer Singh Marg, Gole Market, New Delhi – 110001
	N-3	Delhi Tuberculosis Association, 9, Institutional Area, Lodhi Road, New Delhi – 110003
	N-4	College of Vocational Studies (University of Delhi), Triveni, Sheikh Sarai, Phase -II, New Delhi – 110017
	N-5	Jagan Institute of Management Studies, 3, Institutional Area, Sector-5, Rohini, Near Rithala Metro Station, Delhi – 110085
	N-6	AVB Public School, Near Bathla Apartments, I.P Extension, Patparganj, Delhi – 110092
	N-7	Presidium School, Plot No. 18, Sector 22, Dwarka, Delhi – 110077
	N-8	Kasturba Balika Vidyalaya, Mathura Road, Ishwar Nagar, New Delhi – 110065 (Near to Allahabad Bank)
Faridabad	N-9	Faridabad Chapter of NIRC of the ICSI, 'ICSI House', Institutional Plot No. 1A, Sector -16A, Faridabad – 121002
	N-10	Aggarwal College, Near Ambedkar Chowk, Tigaon Road, District Ballabgarh, Faridabad – 121004
Gurgaon	N-11	Gurgaon Chapter of NIRC of the ICSI, First Floor, Deenbandhu Sir Chhotu Ram Bhawan, Jharsa Road, Behind Shiv Mandir, Sector-32, Gurugram 122002
	N-12	Alpine Convent School, Jalvayu Towers Road, Block B, Sector 56, Gurugram – 122001
	N-13	Alpine Convent School, Main Road, Near Civil Hospital, Sector – 10, Gurugram – 122001
	N-14	HUDA Gymkhana Club*, Sector 29, Gurugram – 122022
Jaipur	N-15	Jaipur Chapter of NIRC of the ICSI, 'ICSI House', A-5/A, Institutional Area, Jhalana Doongri, Jaipur – 302004
	N-16	Lal Bahadur Shastri PG College, Pt. Devi Shankar Tiwari Marg, Tilak Nagar, Near Raja Park, Jaipur – 302004
	N-17	Malviya Convent School, 2, Malviya Institutional Area, Near Sudha Sagar Colony, Block A, Malviya Nagar, Jaipur – 302017
	N-18	SS Jain Subodh PG College, Bhawani Singh Road, Rambagh Circle, Jaipur – 302015
Ghaziabad	N-19	Ghaziabad Chapter of NIRC of the ICSI, 23-B, Nehru Apartment, Nehru Nagar, Near Nasirpur Railway Crossing, Ghaziabad – 201001
	N-20	Vaishali Public School, 3A-216, Rachna, Vaishali, Ghaziabad – 201010 (opposite- Shopprix Mall)
Noida	N-21	Jaipuria Institute of Management, A-32A, Sector – 62, Opposite IBM, Noida – 201309
	N-22	Rockwood School, B-67, Sector-33, Near NTPC Township, C Block, Sector 33, Noida – 201307
Chennai	S-1	MAC Hall, The Southern India Chamber of Commerce and Industry, Indian Chamber Buildings, Esplanade, Chennai – 600108
	S-2	Southern India Regional Office of the ICSI, 'ICSI House', No. 9, Wheat Crofts Road, Nungambakkam, Chennai – 600034
	S-3	Shanmugasundaram Hall, Gokhale Shastri Institute, 16, Karpagambal Nagar, Mylapore, Chennai – 600004
	S-4	The Industrial Estate Manufacturers' Association, No 10 RV Towers, Ground Floor, GST Road, (Adjunct to SBI SISI), Guindy, Chennai – 600032
	S-5	Dhanraj Baid Jain College (Autonomous), Rajiv Gandhi Salai, Jyothi Nagar, Okkiyam, Thoraipakkam, Chennai – 600097

NOTICE UNDER RULES 6 AND 21 READ WITH CLAUSE (3) OF SCHEDULE 2 OF THE COMPANY SECRETARIES (ELECTION TO THE COUNCIL) RULES, 2006

PLACE	BOOTH NO.	ADDRESS
Hyderabad	S-6	Hyderabad Chapter of SIRC of the ICSI, #6-3-609/5, Anandnagar, Khairatabad, Hyderabad – 500004
	S-7	The Institute of Cost Accountants of India – Hyderabad Chapter, CMA Bhavan, Beside Dena Bank, Opposite Police Station, Sanathnagar, Hyderabad – 500018
	S-8	ICSI Centre of Excellence, Survey No. 1, IDA Uppal, Genpact Road, (Near Mallikarjuna Swamy Temple), Uppal, Hyderabad – 500039
	S-9	YMCA, Sardar Patel Road, Near Clock Tower, Secunderabad, Telangana – 500003
Bangalore	S-10	Bengaluru Chapter of SIRC of the ICSI, No-5, 1st Main Road, KSSIDC Industrial Estate, 6th Block, Rajajinagar, West of Chord Road, Bengaluru – 560010
	S-11	Institution of Agricultural Technologists, No. 15, Queens Road, Bengaluru – 560052
	S-12	The Institute of Cost Accountants of India, Bangalore Chapter, No. 81, Mallikarjuna Temple Street, Basavanagudi, Bengaluru – 560004
	S-13	Rotary Bangalore Indiranagar, Rotary House of Service, 2143, 16th E Main, HAL 2nd Stage, (Opposite BDA Park & Near Lohit Hospital), Indiranagar, Bengaluru 560008
	S-14	Alumni Association, University of Agricultural Sciences, Hebbal, Bengaluru – 560024
Mumbai	W-1	Western India Regional Office of the ICSI, 13, Jolly Maker Chambers No II, First Floor and Nos. 56 & 57 (5th Floor), Nariman Point, Mumbai – 400021
	W-2	Indian Merchants' Chamber, IMC Building, Churchgate, Mumbai – 400020
	W-3	Maharashtra Chambers of Commerce & Industries, Oricon House, 6th Floor, 12, K. Dubhas Marg, Kala Goda, Opposite Lion Gate, Fort, Mumbai – 400001
	W-4	Century Bhawan*, Dr. Annie Besant Road, Worli, Mumbai – 400018
	W-5	Pinge's Classes Pvt. Ltd, Janardhan Building, Near Ideal Book Depot, Opposite Chhablidias School, Near Shri Krishna Wada Center, Dadar (West), Mumbai – 400028
	W-6	Mehta Institute, 202, B-Laram Centre, M A Road, Near Andheri Railway Station, Andheri (West), Mumbai – 400058
	W-7	S. K. Somaiya College of Arts, Science & Commerce Aurobindo Building, Somaiya Vidyavihar Campus, Vidya Vihar (East), Mumbai – 400077
	W-8	Mulund College of Commerce, Sarojini Naidu Road, Mulund (West), Mumbai – 400080
	W-9	Kandivli Education Society's, Annexe (First Floor), Bhulabhai Desai Road, Kandivli (West), Mumbai – 400067
Ahmedabad	W-10	Ahmedabad Chapter of WIRC of the ICSI, Maneklal Mills Complex, S-2, B-Tower, Chinubhai Towers, Opposite Handloom House, B/S H.K. College of Arts, Ashram Road, Ahmedabad - 380009
	W-11	Shree Swaminarayan Arts College, Geeta Mandir Road, Shahalam Tolnaka, Kankaria, Behrampura, Ahmedabad – 380022
	W-12	Xavier Research Foundation; Loyola Centre for Research & Development, St. Xavier's College Campus, Navarangpura, Ahmedabad – 380009
	W-13	Prakash Higher Secondary School, Aurobindo Society Road, Near Sandesh Press, Bodakdev, Ahmedabad – 380054
Indore	W-14	Devi Ahilya Arts & Commerce College (Jagdale), 8/1, Chhawani Road, Ushaganj, Jaora Compound, Indore – 452001
	W-15	Shri Vaishnav College of Commerce, Footi Kothi Rd, Sector B, Gumasta Nagar, Scheme 71, Indore, Madhya Pradesh 452002
Pune	W-16	Pune Chapter of WIRC of the ICSI, 23, Mukund Nagar, Corner of Lane No. 1, Gupte Market, Above Dr. Joshi Hospital, Pune – 411037
	W-17	MIT-WPU Campus, Saraswati Vishwa, "A" Wing, Gymnasium, Paud Road, Kothrud, Pune – 411038
	W-18	Mahratta Chamber of Commerce, Industries & Agriculture (MCCIA), Navalmal Firodia Centre for Excellence, MCCIA Bhosari Branch, J-462, MIDC, TELCO Road, Ganesh Nagar, Bhosari, Pune – 411026
	W-19	Yashwantrao Chavan Academy of Development Administration (YASHADA), Raj Bhavan Complex, Baner Road, Near Armament Colony, Ganeshkhind, Pune – 411007
Thane	W-20	Thane Chapter of WIRC of the ICSI, 201-202, Sai Plaza Complex, Above Vijay Sales, Kapurbavdi Junction, Ghodbunder Road, Thane (West) – 400607
	W-21	Rajendra Pal Mangla School, Station Road, Opposite Bank of Maharashtra, Near Railway Station, Thane East

*Confirmation awaited.

3. In pursuance to clause (3) (ii) of Schedule 2 of the Company Secretaries (Election to the Council) Rules, 2006, a voter in any of the places (city) listed in Column 1 of the above table wishing to vote at a particular polling booth at that place(city) listed in Column 2 of the said table against that place (city), may send a request in writing to the Returning Officer, at the Institute of Company Secretaries of India, 'ICSI House', 22, Institutional Area, Lodi Road, New Delhi-110003 or by e-mail at e-mail ID election2018@icsi.edu on or before 5th August, 2018 indicating his / her option for preferred polling booth in that city in the following format:

Place	Preferred Booth No.	Membership No.	Name

(CS Dinesh Chandra Arora)

Secretary and Returning Officer

LEGAL UPDATES

Benefit of ambiguity in exemption notification should be in favour of Revenue.

Constitution Bench of Hon'ble Supreme Court recently held above on 30th July, 2018 in Civil Appeal No. 3327 of 2007 (Commissioner of Customs (Import), Mumbai Vs M/s Dilip Kumar and Company & Ors.). Hon'ble Bench examined 'In the event of ambiguity in an exemption notification, should the benefit of such ambiguity go to the subject/ assessee or should such ambiguity be construed in favour of the revenue, denying the benefit of the exemption to the subject/ assessee?



CS Rajesh Agarwal
Company Secretary
IFGL Refractories Limited

Hon'ble Bench observed that there existed unsatisfactory state of law in relation to interpretation of exemption clauses. It is the law that any ambiguity in a taxing statute should enure to the benefit of subject/ assessee, but any ambiguity in the exemption clause of exemption notification must be conferred in favour of revenue and such exemption should be allowed to be availed only to those subjects/ assessees who demonstrate that a case for exemption squarely falls within the parameters enumerated in the notification and that the claimants satisfy all the conditions precedent for availing exemption (Para 40).

Hon'ble Bench concluded that every taxing statute including charging, computation and exemption clause (at the threshold stage) should be interpreted strictly. Further, in case of ambiguity in a charging provisions, the benefit must necessarily go in favour of subject/assessee, but the same is not true for an exemption notification wherein the benefit of ambiguity must be strictly interpreted in favour of the Revenue/State (Para 41). Reliance was placed on Hansraj Gordhandas v H H Dave, Asst. Collector of Central Excise & Customs, Surat & Ors, AIR 1970 SC 755 = (1969) 2 SCR 253, wherein it was pointed out that an exemption from taxation is to be allowed based wholly by the language of the notification and exemption cannot be gathered by necessary implication or by construction of words. In other words, one has to look to the language alone and object and purpose for granting exemption is irrelevant and immaterial.

Hon'ble Bench analysed several other decisions and finally held as follows on:

- Exemption notification should be interpreted strictly; the burden of proving applicability is on the assessee that his case comes within the parameters of exemption clause or exemption notification.
- When there is ambiguity in exemption notification which is subject to strict interpretation, the benefit of such ambiguity cannot be claimed by the subject/ assessee and it must be interpreted in favour of the revenue.

"Hon'ble Income Tax Appellate Tribunal, Delhi Bench 'SMC', New Delhi in ITA No 747/Del/2018 have recently held that when an assessee stays outside India for period of more than 182 days, ie become a non-resident, income received from foreign employer for services rendered outside India can not accrue or arise or deemed to accrue or arise in India and ca not be taxed in India notwithstanding the fact that the same is credited in bank in India or TDS has been deducted on such income"

JUDICIAL PRONOUNCEMENTS

"Recently on 2nd July 2018 in Civil Appeal No 15613 of 2017 and others, Hon'ble Supreme Court has held that tax at source is deductible following provisions of Section 194 I of the Income Tax Act, 1961 (the Act) from Lease Rental paid to Development Authorities as they are not Local Authorities within the meaning of Section 10(20) of the Act. Hon'ble Court followed their ruling in the case of CIT v Canara Bank (2018) 95 taxmann.com 81(SC) wherein it was held that Development Authorities were not covered by word/ expression of Municipality in clause (e) of Article 243P of the Constitution. Hon'ble Court held that definition of rent as contained in explanation to Section 194I is very wide. Hence annual lease rent paid to the Development Authorities is covered as rent within the meaning of said Section. Hon'ble Court held that post amendment of Section 10(20) of the Act from 01.04.2003, Departments Circular No 599 on 22.10.1970 was not applicable to Development Authorities"

CO-OPTION TO THE EIRC OF ICSI

Eastern India Regional Council of The Institute of Company Secretaries of India at its 294th Meeting held on 29th May, 2018 has co-opted Shri Sudhir Vyas, Founder and National Secretary, Vipra Chamber of Commerce and Secretary (VCCI) to represent the interest of Trade, Commerce and Industry.



DHANBAD CHAPTER

Date	Name of the Programme	Chief Guest / Guest Speakers	Topic	Venue
01.07.2018	Van Mahotsava Divas	CS Roshan Lal Nad, Secretary	---	Dhanbad Chapter
01.07.2018	GST Day Celebration	CS Roshan Lal Nad, Secretary	GST	Dhanbad Chapter
04.07.2018	Company Law Quiz	CS Pankaj Kumar Singh, Chairman	Company Law	Dhanbad Chapter
07.07.2018	Activation of Class Room Teaching	CS Gourav Kumar Agarwal	---	Dhanbad Chapter
14.07.2018	Webcast for students	Sh. Govind Kumar Tiwari, EA, Dhanbad Chapter	Session on New Syllabus, 2017	Dhanbad Chapter
18.07.2018	Moot Court Competition	CS B. K. Parui, Past Chairman & Co. Secy, BCCL, Dhanbad	---	Dhanbad Chapter
19.07.2018	Communication/Soft Skills development programme for students	CS Gourav Kumar Agarwal	---	Dhanbad Chapter
19.07.2018	"Samadhan Divas"-Zero Grievance Day	Sh. Govind Kumar Tiwari, EA, Dhanbad Chapter	---	Dhanbad Chapter

HOOGLY CHAPTER

Date	Name of the Programme	Chief Guest / Guest Speakers	Venue
05.07.18	Celebration of Students Month by organising Van Mahotsav – Plantation of Tree, Quiz Contest – Question Answer session on Company Law and Student updates on emerging aspects in Corporate Laws	-	Chapter Premises of Hooghly Chapter, Rishra
07.07.18	Celebration of Students Month by organising Cultural Programme for Students:- Reciting Poems, Singing Songs, Showing other talents etc.		Conference Hall of Hooghly Chapter, Rishra
13.07.18	Celebration of Students Month by organising 17th All India Elocution Competition – 2018 (Chapter Level) for the Students of ICSI	CS Arvind Kumar Mishra (Hon'ble Judge)	Chapter Premises of Hooghly Chapter, Rishra
14.07.18	Celebration of Students Month by organising WEBCAST for the Members & Students of ICSI	-	Celebration of Students Month by organising WEBCAST for the Members & Students of ICSI
19.07.18	Celebration of Students Month by organising "Samadhan Diwas"	-	Chapter Premises of Hooghly Chapter, Rishra
20.07.18	Celebration of Students Month by organising Video Byte Competition on Various facets of CS Course	-	Chapter Premises of Hooghly Chapter, Rishra
22.07.18	Celebration of Students Month by organising "National Flag Adoption Day" by hoisting the National Flag	-	Chapter Premises of Hooghly Chapter, Rishra
26.07.18	Celebration of Students Month by organising "Kargil Victory Day"	-	Chapter Premises of Hooghly Chapter, Rishra
27.07.18	Celebration of Students Month by organising "Swachha Bharat Abhiyaan"	-	Chapter Premises of Hooghly Chapter, Rishra
27.07.18	Celebration of Students Month by organising "New Syllabus 2017- A Session on benefits of New Syllabus"	-	Chapter Premises of Hooghly Chapter, Rishra

8 (Eight) Career Awareness Programme Held During The Month Of July 2018**JAMSHEDPUR CHAPTER**

Date	Name of the Programme	Chief Guest / Guest Speakers	Topic	Venue
01.07.2018	Van Mahotsav	CS Sital Prasad Swain, Chairman	Tree Plantation	CFE Auditorium
19.07.2018	Samadhan Diwas		Student Quarry	Chapter Office Premises
27.07.2018	Swachh Bharat Abhiyan		Cleaning	Chapter Office Premises
28.07.2018	Study Circle Meeting On Capital Market Week 2018	CS S S Dhanjal	Basics Of Capital Market	Chapter Office Premises

3 (Three) Career Awareness Programme Held During The Month Of July 2018

CHAPTERS' NEWS

RANCHI CHAPTER

Date	Name of the Programme	Chief Guest / Guest Speakers	Topic	Venue
01.07.2018	Van Mahotsav Diwas celebration		Plantation of saplings	Nearby ground of chapter office
04.07.2018	Quiz competition on 'Industrial & Labour Law'	CS Gaurav Kumar Vohra, Company Secretary, Vedika Credit Capital Ltd.	Industrial and Labour Law	Ranchi Chapter of EIRC of ICSI
05.07.2018	Session for students on 'emerging aspects of Corporate Laws'	CS Vinay Kumar Jalan, Ex-chairman, Ranchi Chapter of EIRC of ICSI	Corporate Law	Ranchi Chapter of EIRC of ICSI
07.07.2018	Assembly for classroom teaching	CS Rajeev Ranjan, Ex-chairman, Ranchi Chapter of ICSI	Class room teaching	Ranchi Chapter of EIRC of ICSI
11.07.2018	Debate competition on World Population Day		Control the population and increase the growth rate	Ranchi Chapter of EIRC of ICSI
13.07.2018	17th All India Elocution competition – chapter round	CS Aniket Kumar Verma	Make in India or Start Up India – The Better Option	Ranchi Chapter of EIRC of ICSI
14.07.2018	Webcast on ICSI New Syllabus, Pre-examination Test, Prevention of sexual harassment in workplace		Pre-examination Test, Prevention of sexual harassment in workplace	Ranchi Chapter of EIRC of ICSI
16.07.2018	Session for students on 'soft skill development'	CMA A.D.Wadhwa, Manager of Finance, Central Coalfields Limited	Soft skill development	Ranchi Chapter of EIRC of ICSI
19.07.2018	Observation of 'Samadhan Diwas'		Samadhan Diwas – Zero Grievance Day	Ranchi Chapter of EIRC of ICSI
22.07.2018	Observation of National Flag adoption day – Flag hoisting	CS Pooja Shukla, Faculty from Central University, Jharkhand	National Flag adoption	Ranchi Chapter of EIRC of ICSI
22.07.2018	Guidance programme for students by professionals from Corporate Houses	(i)CS Sanand Singh, Executive CS, HEC Ltd. (ii)CS Gaurav Vohra, Company Secretary, Vedika Credit Capital Ltd., Ranchi	Corporate Houses to be called to guide the students	Ranchi Chapter of EIRC of ICSI
16.07.2018 To 23.07.2018	9th Executive Development Programme (EDP)	(i)CS Subhash Bharti, Chairman, Ranchi Chapter of EIRC of ICSI (ii)CS Rajeev Ranjan, Ex-chairman, Ranchi Chapter of EIRC of ICSI	EDP	Ranchi Chapter of EIRC of ICSI
25.07.2018	18th All India Company Law Quiz – Chapter Round	CS Rajeev Ranjan, Ex-chairman, Ranchi Chapter of ICSI	Company Law Quiz	Ranchi Chapter of EIRC of ICSI
26.07.2018	Essay writing competition on Kargil Victory Day		Kargil Victory Day	Ranchi Chapter of EIRC of ICSI
27.07.2018	Swachh Bharat Abhiyan		Swachh Bharat	Ranchi Chapter of EIRC of ICSI
27.07.2018	Orientation Programme for students on New Syllabus 2017		New Syllabus 2017	Ranchi Chapter of EIRC of ICSI
27.07.2018	Study Circle on 'Company Secretary – A Professional Catalyst in Capital Markets'	CS Sanjeev Kumar Dikshit, Ex-chairman, Ranchi Chapter of ICSI	ICSI Capital Market Week 23-29 July 2018	Ranchi Chapter of EIRC of ICSI
28.07.2018	Declamation competition on World Nature Conservation Day		Role of CS in environment and pollution control	Ranchi Chapter of EIRC of ICSI
31.07.2018	Felicitation of Zonal rank holders of 2nd CS Olympiad	(i) CS Subhash Bharti, Chairman, Ranchi Chapter (ii)Dr. Ram Singh, Principal, DPS Ranchi	2nd CS Olympiad	Delhi Public School, Sail City, Ranchi

6 (Six) Career Awareness Programme Held During The Month Of July 2018

SILIGURI CHAPTER

Date	Name of the Programme	Chief Guest / Guest Speakers	Topic	Venue
01.07.18	Van Mahotsav			Icsi Siliguri Chapter
14.07.18	Webcast For Students			Icsi Siliguri Chapter
19.07.18	Samadhan Diwas			Icsi Siliguri Chapter
27.07.18	Session On Icsi New Syllabus			Icsi Siliguri Chapter
27.07.18	Study Circle Meeting	CS Somnath Ganguly	Capital Market & Dir 3 Kyc	Icsi Siliguri Chapter
27.07.18	Swachh Bharat Abhiyan			Icsi Siliguri Chapter

3 (Three) Career Awareness Programme Held During The Month Of July 2018

Students Activities During ICSI Students' Month



Date	Details of Programme
01 July 2018	Van Mahotsav
02 July 2018	EDP Inauguration
02 July 2018	Motivational Talk
03 July 2018	Inauguration of OTS Executive New Syllabus
03 July 2018	CAP at St Thomas Day School, Kolkata
04 July 2018	Quiz for Students
05 July 2018	Class Room Session on Reading the Book – The Companies (Amendment) Act, 2017 – with Experts Class I
06 July 2018	Students Update on Corporate Laws
06 July 2018	Class Room Session on Reading the Book – The Companies (Amendment) Act, 2017 – with Experts Class II
07 July 2018	Health Check up and Blood Donation
10 July 2018	Students Cultural Activities
10 July 2018	EDP Valedictory
11 July 2018	Debate Competition on World Population Day
12 July 2018	Inauguration of 129 MSOP
14 July 2018	Webcast on Pre-examination Test/ New Syllabus, 2017/ Prevention of Sexual Harassment of Women at Work Place
16 July 2018	CAP at La Martiniere For Boys School, Kolkata
17 July 2018	2 Days Induction Inaugural
18 July 2018	Communication & Soft Skill Development Program
19 July 2018	3 Days e-Governance Inaugural
19 July 2018	Samadhan Dlwās
19 July 2018	Career Awareness at Shri Shikshayatan School
19 July 2018	Moot Court Session at ICSI EIRC
20 July 2018	Group Discussion Session for Student's at EIRC Library
21 July 2018	3 Days e-Governance Valedictory
22 July 2018	National Flag Adoption Day Celebration
22 July 2018	Parent Teachers Meet
22 July 2018	Faculty induction Programme
23 July 2018	Two CAPs at Asansol, West Bengal (Eastern Railway High School- Day and Eastern Railway High School- Evening)
24 July 2018	5 Days Skill Development Inauguration
24 July 2018	Stress Management Workshop
25 July 2018	Interaction of Corporate Houses with students
25 July 2018	New Syllabus 2017- A Orientation Session on benefits of New Syllabus
26 July 2018	Kargil Victory day - Observation of Moment of Silence for the Brave Martyred Souls
26 July 2018	Kargil Victory day celebration followed by essay writing competition on "Due Diligence in Context of Armed Forces"
26 July 2018	CAP at Binodini Girls School
27 July 2018	EIRC Regional Level 17th All India Elocution Competition at ICSI EIRC
28 July 2018	Valedictory Function 129th MSOP
28 July 2018	Valedictory Function Five Day PSDP
30 July 2018	Swachh Bharth Abhiyan
30 July 2018	CAP at Calcutta Public School, Kalikapur
31 July 2018	CAP at Adamas International School, Kolkata
31 July 2018	Three CAPs at Asansol, West Bengal (Umarani Ghorai Mohila Kalyan Girls H.S. : St. Vincent High and Technical School : DAV High School)
31 July 2018	Declamation Competition on World Nature Conservation Day
31 July 2018	Inauguration of Five Day PEDP Programme



SPONSORSHIP / ADVERTISEMENT TARIFF

Sl. No.	Type of Sponsorship	Sponsorship Amount in Rs. and other Details
1	Principal Sponsor - One special full page advertisement in Souvenir - Delegate fee (non-residential) exemption - Display at Convention Backdrop - Special Acknowledgement	20,00,000 15 Delegates
2	Co-Sponsor - One special full page advertisement in Souvenir - Delegate fee (non-residential) exemption - Display at Convention Backdrop - Special Acknowledgement	12,00,000 10 Delegates
3	Sponsorship for Bags / Dinner Sponsor - One special full page advertisement in Souvenir - Delegate fee (non-residential) exemption - Display at the Convention Backdrop / Dinner site - Special Acknowledgement	10,00,000 8 Delegates
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5	Diamond Sponsor / Tea Sponsor - One special full page advertisement in the Souvenir - Delegate fee (non-residential) exemption - Display at Convention Backdrop/ Tea site - Special Acknowledgement	5,00,000 3 Delegates
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8	Souvenir Sponsor - One special full page advertisement in Souvenir - Logo on the Souvenir Cover Page - Display at Convention Backdrop - Special Acknowledgement	5,00,000
9	Cultural Programme Sponsor - One special full page advertisement in Souvenir - Display at Convention Backdrop - Display at Cultural Programme site - Special Acknowledgement	5,00,000
10	ADVERTISEMENTS IN SOUVENIR - Back Cover (Display of one banner) - Third Cover (Display of one banner) - Second Cover (Display of one banner) - Special Full Page (Colour) - Full Page (B/W) - Half Page(Colour) - Half Page(B/W)	1,00,000 75,000 75,000 50,000 30,000 30,000 15,000
11	Banner - 8' x 3' + Spl. Full Page Advertisement in Souvenir (Colour) - 8' x 3' - 6' x 3'	1,00,000 50,000 35,000
12	Stalls - 6' x 6'	50,000
13	Distribution of Publicity Material, literature, Pen/Pad etc.	1,00,000
14	Sponsorship of Pen, Pad	1,00,000
15	Miscellaneous (10 to 14) - For any member who procures advertisements in Souvenir above Rs.2,00,000 – Delegate fee (non-residential) exemption for 2 delegates - For any member who procures advertisements in Souvenir above Rs.1,00,000 – Delegate fee (non-residential) exemption for 1 delegate - 10% Incentive to the Chapter for procuring any of above sponsorships/advertisements	



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*A Journey of 50 Glorious years -
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30-31 August and 1 September 2018

- August 30, 2018 - Opening Plenary : 01:00 PM
- September 01, 2018 - Closing Plenary : 01:00 PM
- Interactive Session for ICSI Members : 03:00 PM

Registration link : <https://goo.gl/HQPMCM>

(for any query, please write to conference@icsi.edu)



Type of Delegate	Delegate fee to be paid on or after August 01, 2018 onwards
Members of ICSI / ICAI / ICoAI	INR 7500
Company Secretaries in Practice	INR 7000
Accompanying Spouse / Guest / Children / Senior Members (60 Years & Above)	INR 6500
Students of ICSI	INR 5000
Non - Members	INR 8000
Foreign Delegates	USD 250

*Above fees inclusive of GST @ 18%

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