



WHITESPAN
A d v i s o r y

WINS

(WHITESPAN INFORMATION AND NEWS SERVICES)

A GATEWAY TO KNOWLEDGE

Monthly Newsletter

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MAA FOUNDATION Activities



Maa Foundation organized event undertaken under CSR initiatives, such as Distribution of food to the students.

FROM THE CHIEF EDITOR'S PEN

“When I let go of what I am, I become what I might be.” – Lao Tzu

It gives us immense satisfaction to share the 72nd Edition of “WINS – e-newsletter” for April 2023, covering legal updates released during the month of March 2023, articles shared by respected professionals, Case Laws and compliance calendar for the month of April 2023.

In this issue, we have covered the following:

1. Corporate Updates from, MCA, SEBI, CBDT and other miscellaneous laws
2. Articles on:
 - i. Article on Prosecution under Companies Act, 2013
 - ii. Article on Foreign Law Firms/Lawyers in India
 - iii. Article on Corporate Social Responsibility
3. Case Laws
4. Compliance checklist for the month of April 2023.

Trust, WINS not only helps you to keep yourself updated, but also saves your time with crisp summary, in the form of Editor's Quick Take.

My sincere gratitude to each one of you for sparing your precious time in reading this newsletter and sharing your valuable feedback. Your suggestions and ideas have been a source of inspiration for us and have motivated and guided us to scout for better contents, every month, in timely manner. We take this opportunity to invite articles on topics of professional interest. Please ensure that the article is original, written in good style and adds value for the readers.

You may reach to us at vinayshukla@whitespan.in or [+91 9810 624 262](tel:+919810624262)

With warm regards,

TEAM WINS (Whitespan Information and News Services)
March 31, 2023

OUR EDITORIAL BOARD COMPRISES THE FOLLOWING PROFESSIONALS

- 1. Mr. Vinay Shukla**, a fellow member of The Institute of Company Secretaries of India (ICSI), a graduate in Law, Commerce and Management and the co-founder of WsA having more than thirty years' experience in wide spectrum of corporate functions.
- 2. Ms. Jaya Yadav**, a practicing company secretary based at Gurgaon is a fellow member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from Delhi University.
- 3. Ms. Divya Shukla**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Christ University, Bengaluru.
- 4. Mr. Shubham Tyagi**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Delhi University.
- 5. Ms. Saloni Sharma**, a Qualified Company Secretary, a graduate in bachelors of commerce from Rajasthan University, and Pursuing bachelors of law.

Ministry of Corporate Affairs (MCA)

1. C-PACE Centre for Processing Accelerated Corporate Exit for Voluntary Winding Up by Companies

Date of Notification: March 17, 2023

Effective Date: April 01, 2023

Link: <https://egazette.nic.in/WriteReadData/2023/244467.pdf>

<https://www.indiabudget.gov.in/doc/impbud2022-23.pdf>

MCA vide its notification dated March 17, 2023, has notified that the Central Government while exercising the powers conferred under Section 396 of Companies Act, 2013 has established a C-PACE i.e., Centre for Processing Accelerated Corporate Exit.

C-PACE has been introduced with an objective to reduce the time involved in the process of voluntary winding from the present time frame of two years to less than six months.

The C-PACE shall be located at the Indian Institute of Corporate Affairs (IICA), Plot No. 6, 7, 8, Sector 5, IMT Manesar, District Gurgaon (Haryana), Pin Code – 122050.

Securities Exchange Board of India (SEBI)

1. Master Circular for Foreign Venture Capital Investors (FVCIs)

Date of Master Circular – March 03, 2023

Effective Date – March 03, 2023

Link: <https://www.sebi.gov.in/legal/master-circulars/mar-2023/master-circular-for-foreign-venture-capital-investors-fvcis-68650.html>

SEBI vide its Master Circular dated March 03, 2023 has incorporated the provisions of all its previous circulars issued for FVCI's in one single Master Circular.

This Master Circular rescinds the following circulars:

1. SEBI Circular No. IMD/DOF-1/FVCI/CIR.No.1/2009 dated July 03, 2009
2. SEBI Circular No. SEBI/IMD/DOF-1/FVCI/CIR-1/2010 dated January 12, 2010
3. SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2017/75 dated July 06, 2017

The Master Circular covers:

1. Firm commitment requirement for registration as Foreign Venture Capital Investor (FVCI)
2. Quarterly Reporting by FVCIs
3. Online Filing System for FVCIs

If any application is made to SEBI under the rescinded circulars, prior to such rescission, and is pending before SEBI, it shall be deemed to have been made under the corresponding provisions Quarterly Reporting by FVCIs of this Master Circular.

2. Framework for Adoption of Cloud Services by SEBI Regulated Entities (REs)

Date of Circular – March 06, 2023

Effective Date – March 06, 2023

Link: <https://www.sebi.gov.in/legal/circulars/mar-2023/framework-for-adoption-of-cloud-services-by-sebi-regulated-entities-res-68740.html>

SEBI vide its circular dated March 06, 2023 announced the new Cloud framework, which has been drafted to provide baseline standards of security and for the legal and regulatory compliances by the Regulated Entities (REs). It will be in addition to the existing circulars/guidelines/advisories of SEBI.

The major purpose of this framework is to highlight the key risks, and mandatory control measures which REs need to put in place before adopting cloud computing. The document also sets out the regulatory and legal compliances by REs if they adopt such solutions.

The framework shall be applicable to Stock exchanges, Clearing corporations, Depositories, Stock brokers through exchanges, Depository participants through Depositories, Asset Management Companies (AMCs)/ Mutual Funds, RTAs and KYC Registration Agencies.

For REs that are currently availing cloud services should ensure that wherever applicable, all such arrangements are revised and they should be in compliance with the framework within 12 months.

According to the regulator, the cloud framework is a principle-based framework that covers Governance, Risk and Compliance (GRC), selection of Cloud Service Providers (CSPs), data ownership and data localization, due- diligence by REs, security controls, legal and regulatory obligations, among others.

3. Operational Guidance – Amendment to SEBI (Buy-back of Securities) Regulations, 2018

Date of Circular – March 08, 2023

Effective Date – March 09, 2023

Link: [SEBI | Operational Guidance - Amendment to SEBI \(Buy-back of Securities\) Regulations, 2018](#)

SEBI vide its circular dated March 08, 2023 released a circular on operational guidance Amendment to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (“Buy-back Regulations”).

On February 07, 2023 SEBI has notified Securities and Exchange Board of India (Buy-Back of Securities) (Amendment) Regulations, 2023. The amendment regulations were made effective for all buy-back offers where the Board of Directors of the company approve resolution with respect to Buy-back w.e.f. March 09, 2023.

Restrictions set out for the companies undertaking buy-back through stock exchange route:

- a) The company shall not purchase more than 25% of the average daily trading volume (in value) of its shares or other specified securities in the ten trading days preceding the day in which such purchases are made.

- b) The company shall not place bids in the pre-open market, first thirty minutes and the last thirty minutes of the regular trading session.
- c) The company's purchase order price should be within the range of $\pm 1\%$ from the last traded price

As per the sub-clause (c) of Clause (xi) of Regulation 9 and Clause (ii) of Regulation 20 of the Buy-back Regulations, the escrow account shall consist of cash and/or other than the cash. The portion of escrow account in the form of other than the cash shall be subject to appropriate haircut, in accordance with the SEBI Master Circular for Stock Exchange and Clearing Corporations dated July 05, 2021, as amended from time to time.

4. Securities and Exchange Board of India (Grant of Reward to Informant under Recovery Proceedings) Guidelines, 2023

Date of Circular – March 08, 2023

Effective Date – March 08, 2023

Link:https://www.sebi.gov.in/sebi_data/commondocs/mar-2023/Annexure%20B%20-%20List%20of%20DTR%20matters%20to%20be%20published_p.pdf target=' blank' style='color:#007ffc'>[List of matters where information can be provided]

SEBI on March 08, 2023 released the [SEBI \(Grant of Reward to Informant under Recovery Proceedings\) Guidelines, 2023](#) with the aim of promoting a culture of honesty and accountability in the financial sector.

Under these guidelines, individuals who provide original information related to the assets of defaulters with certified 'difficult to recover' dues will be rewarded, thereby encouraging more people to come forward and share information. These guidelines are effective immediately.

Some of the key highlights of the guidelines include the

- (a) Eligibility criteria for rewarding informants providing information on dues certified as 'difficult to recover';
- (b) prescribes various parameters for categorizing dues as 'difficult to recover' and prohibition of Reward in Certain Cases;
- (c) mandates informants seeking reward to provide an undertaking etc.

By establishing clear and concise guidelines, SEBI is taking a major step towards creating a transparent and accountable financial system.

5. Securities and Exchange Board of India (Foreign Portfolio Investors) (Amendment) Regulations, 2023

Date of Circular – March 15, 2023

Effective Date – March 14, 2023

Link: https://www.sebi.gov.in/legal/regulations/mar-2023/securities-and-exchange-board-of-india-foreign-portfolio-investors-amendment-regulations-2023_69104.html

SEBI vide its circular dated March 15, 2023 amended the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 by notifying the Securities and Exchange Board of India (Foreign Portfolio Investors) (Amendment) Regulations, 2023.

SEBI has made amendment in Regulation 3, 22 and 31 of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.

In Regulation 22:

in (1)(b), the time period is changed by inserting the words “as soon as possible but not later than seven working days,”.

- i. in (1)(c), the following statement is inserted by removing the earlier clause-“(c) as soon as possible but not later than seven working days, inform the Board and designated depository participant in writing, if there is any material change in the information including any direct or indirect change in its structure or ownership or control or investor group previously furnished by him to the Board or designated depository participant;”
- ii. in (1)(e), the time period is changed by inserting the words “as soon as possible but not later than seven working days,”
- iii. in (1)(k), the following clause shall be inserted, namely, - “(l) ensure that accurate details regarding its investor group are maintained with its designated depository participant at all times.”
- iv. Sub-regulation (5) shall be substituted with the following namely, - “(5) In case of any direct or indirect change in structure or common ownership or control of the foreign portfolio investor or investor group, it shall, as soon as possible but not later than seven working days, bring the same to the notice of its designated depository participant.”

In Regulation 31(1):

- i. in 31(1)(b), the time period is changed by inserting the words “as soon as possible but not later than two working days”.
- ii. in 31(1)(c), the time period is changed by inserting the words “as soon as possible but not later than two working days,”
- iii. in 31(1)(g), the time period is changed by inserting the words “as soon as possible but not later than two working days,”

6. Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination

Date of Circular – March 16, 2023

Effective Date – April 01, 2023

Link: [SEBI | Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination](#)

SEBI vide its circular dated March 16, 2023 specified detailed simplified norms for processing investor service requests, PAN, KYC details, and nomination.

The guidelines were updated following feedback from investors and consultation with the Registrars Association of India (RAIN). This circular came in supersession of Circular dated November 03, 2021 and December 14, 2021.

SEBI has specified the following points:

1. It is mandatory to furnish PAN, KYC details and Nomination by holders of physical securities.
2. The folios will be freeze without PAN, KYC details and nomination
3. The RTAs will accept only self-attested copies of documents
4. The investor may provide documents / details by way of “In Person Verification” (IPV) or Post or electronic mode with e-sign.
5. The details of Standardized, simplifies and common norms for processing investor service requests are specified.
6. Forms for availing various investor services is specified.
7. RTAs shall update the PAN and KYC details across all the folios of the holder managed by it.
8. RTAs shall process any of the aforesaid requests from the holder, within timeline as mentioned in the circular dated November 26, 2021.
9. RTAs shall provide their complete contact details on their websites.

10. The RTAs shall raise all the objections in one instance.
11. RTAs shall process the queries and complaints through electronic interface.
12. Listed companies, RTAs and Stock Exchanges shall disseminate the requirements to be complied with by holders of physical securities of all listed companies on their respective websites.
13. RTAs shall provide the changes carries out, systems put in place / new operating procedures implemented etc. through a certificate of compliance from a practicing Company Secretary, within 30 days from the date of this circular coming into effect.
14. Listed Companies/RTAs shall submit a report to SEBI by May 31, 2023, on the steps taken by them towards sensitizing their security holders regarding mandatory furnishing of PAN, KYC and nomination detail.
15. Stock Exchanges, Depositories, RTAs and listed companies are advised to comply with the conditions laid down.

7. Circular for Manner of filing financial results as required under regulation 33 of SEBI (LODR) Regulations, 2015.

Date of Circular – March 15, 2023

Effective Date – March 15, 2023

Link: [https://static.nseindia.com//s3fs-public/inline-files/NSE Circular 15032023 3.pdf](https://static.nseindia.com//s3fs-public/inline-files/NSE_Circular_15032023_3.pdf)

NSE vide its circular dated March 15, 2023 advised to the listed entities that the PDF of outcome of board meeting held to consider and approve financial results must only include financial results, Auditor's report and other statements as prescribed under Regulation 33, Part A of Schedule IV of the regulation and related circulars. If the company wishes to disclose any other information such as shareholders letter, investors presentation, it must be done as a separate announcement.

8. Circular for Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR)

Date of Master Circular – March 16, 2023

Effective Date – Financial year ended March 31, 2023 onwards

Link: <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230316-14>
https://static.nseindia.com//s3fs-public/inline-files/NSE_Circular_16032023.pdf

NSE vide Circular dated March 16, 2023 has provided certain additional affirmation to be submitted by the Practicing Company Secretary in the Annual secretarial compliance report for listed entities and their material subsidiaries which was effective from March 31, 2023 onwards.

Following are the additional affirmation to be submitted by the Practicing Company Secretary:

1. Secretarial Standard
2. Adoption and timely updation of the Policies

3. Maintenance and disclosures on Website
4. Disqualification of Director
5. Details related to Subsidiaries of listed entities
6. Preservation of Documents
7. Performance evaluation of the Board
8. Related Party Transactions
9. Disclosure of events or information
10. Prohibition of Insider Trading
11. Actions taken by SEBI or Stock Exchange(s), if any
12. Additional Non-compliances, if any

The Annual secretarial compliance report is required to be filed on annual basis by listed companies. The report should be certified by a Practicing Company Secretary confirming the compliances of all SEBI Regulations, circulars and guidelines as per Regulation 24A SEBI (LODR) Regulations, 2015 within 60 days from the end of Financial Year to the Stock Exchange.

9. Master Circular for Portfolio Managers

Date of Circular - March 20, 2023

Effective Date – March 20, 2023

Link: https://www.sebi.gov.in/legal/master-circulars/mar-2023/master-circular-for-portfolio-managers_69155.html

SEBI on March 20, 2023 issued a Master Circular for Portfolio Managers. For the maintenance of effective regulation of Portfolio Managers, the SEBI issues various circulars from time to time. In order to enable the stakeholders to access all the applicable requirements in one place, the provisions of the said circulars issued till November 30, 2022 are incorporated in this Master Circular for Portfolio Managers.

Pursuant to issuance of this Master Circular, the entities which are required to ensure compliance with various provisions shall submit necessary reports as envisaged in this Master Circular on a periodic/ continuous basis.

This Master Circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

10. Circular for Path of filing of disclosures related to Corporate Action on NEAPS Portal

Date of Circular – March 21, 2023

Effective Date – March 21, 2023

Link: https://static.nseindia.com//s3fs-public/inline-files/NSE_CIRCULAR_21032023.pdf

NSE vide Circular dated March, 21, 2023 has clarified TO all the listed entities that the exchange has designated the NEAPS portal as the specified electronic platform for filings under Regulation 10 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All intimations pertaining to corporate actions such as intimation regarding fixation of Record Date or Book Closure Dates for any corporate action, needs to be separately intimated to the Exchange under the tab for Corporate Actions as available on the NEAPS Portal (i.e., NEAPS – Compliance – Announcements - Announcements/CA - Intimation Type: Corporate Action). All intimation regarding Record Date or Book Closure Dates for any Corporate Action is to be filed separately under this tab. Consequences for non-intimation of Record Date or Book Closure Dates separately under Regulation 42 may result in the Exchange not taking the same on record making listed entities liable. It is reiterated that the Exchange will take cognizance of only those disclosures which are filed under relevant path as specified above using NSE's Electronic Application Processing System (NEAPS).

11. Master Circular on Surveillance of Securities Market

Date of Circular - March 23, 2023

Effective Date – March 23, 2023

Link: https://www.sebi.gov.in/legal/master-circulars/mar-2023/master-circular-on-surveillance-of-securitiesmarket_69244.html

SEBI on March 23, 2023, published a Master Circular in order to ensure availability of consolidated information contained in all the circulars pertaining to surveillance of securities market at one place.

This Master Circular is categorized subject wise under various headings, viz., trading rules and shareholding in dematerialized mode, monitoring of unauthenticated news circulated by SEBI registered market intermediaries through various modes of communication and disclosure reporting under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

This Master Circular covers various circulars issued by the Integrated Surveillance Department (ISD) of SEBI and operational as on the date of issuance of this Master Circular.

12. Nomination for Eligible Trading and Demat Accounts - Extension of timelines for existing account holders

Date of Circular – March 27, 2023

Effective Date – March 27, 2023

Link: https://www.sebi.gov.in/legal/circulars/mar-2023/nomination-for-eligible-trading-and-demat-accounts-extension-of-timelines-for-existing-account-holders_69391.html

SEBI vide its Circular dated March 27, 2023 extended the timeline for mandatory submission of ‘choice of nomination’ for existing trading and Demat accounts to September 30, 2023 from March 31, 2023 failing which the trading accounts shall be frozen for trading and Demat account shall be frozen for debits.

All other provisions mentioned in the circulars SEBI/HO/MIRSD/RTAMB/CIR /P/2021/601 dated July 23, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P /CIR/2022/23 dated February 24, 2022 shall remain unchanged.

13. Nomination for Mutual Fund Unit Holders – Extension of timelines

Date of Circular – March 28, 2023

Effective Date – March 28, 2023

Link: https://www.sebi.gov.in/legal/circulars/mar-2023/nomination-for-mutual-fund-unit-holders-extension-of-timelines_69465.html

SEBI vide its circular dated March 28, 2023 extended the timeline with regard to the requirement for nomination/ opting out of nomination for all the existing individual unit holder(s) holding mutual fund units either solely or jointly, from September 30, 2023 to March 31, 2023 failing which the folios shall be frozen for debits

14. Extension of compliance period –Fund raising by large corporates through issuance of debt securities to the extent of 25% of their incremental borrowings in a financial year

Date of Circular – March 31, 2023

Effective Date – March 31, 2023

Link: https://www.sebi.gov.in/legal/circulars/mar-2023/extension-of-compliance-period-fund-raising-by-large-corporates-through-issuance-of-debt-securities-to-the-extent-of-25-of-their-incremental-borrowings-in-a-financial-year_69574.html

SEBI vide its circular dated March 31, 2023 has amended Regulation 55 (1) of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021.

Regulation 55 of SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021, mandates large corporates to raise minimum 25% of their incremental borrowings during a financial year by way of issuance of debt securities which requires to be met for a period of two years from FY 2021-22.

Further, due to representations received from various market participants and SEBI extended the period for three years for large corporates to raise minimum 25% of their incremental borrowings.

Central Board of Direct Taxes (CBDT)

1. Exemption under Section 10 of the Income Tax Act, 1961

Date of Circular – March 01, 2023

Effective Date – March 01, 2023

Link: [0627728c1f2f5264f87b6dbbf8fc53e8.pdf \(ibbi.gov.in\)](https://www.ibbi.gov.in/0627728c1f2f5264f87b6dbbf8fc53e8.pdf)

CBDT vide its circular dated March 01, 2023, in exercise to the power conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, ‘Insolvency and Bankruptcy Board of India’, New Delhi (PAN AAAGI0193K), a Board established by the Central Government, in respect of the following specified income arising to that Board, namely:

- (a) Grants-in-aid received from Central Government;
- (b) Fees received under the Insolvency and Bankruptcy Code, 2016 (31 of 2016);
- (c) Fines collected under the Insolvency and Bankruptcy Code, 2016 (31 of 2016); and
- (d) Interest income accrued on (a), (b) and (c) above

2. Last date for linking of PAN-Aadhaar extended

Date of Circular – March 28, 2023

Effective Date – March 28, 2023

Link: <https://incometaxindia.gov.in/Lists/Press%20Releases/Attachments/1131/PressRelease-Last-date-for-linking-of-PAN-Aadhaar-extended-28-3-23.pdf>

CBDT vide its press release dated March 28, 2023, extended the last date to link Permanent Account Number (PAN) with Aadhaar to June 30, 2023.

In order to provide some more time to the taxpayers the extension is provided, whereby persons can intimate their Aadhaar to the prescribed authority for Aadhaar-PAN linking without facing repercussions.

Miscellaneous Laws

1. Opportunity to join hands with NIPAM Initiative of IP Office

Date of Circular – March 01, 2023

Effective Date – March 01, 2023

Link: https://ipindia.gov.in/writereaddata/Portal/News/879_1_Public_Notice_IP_Professional_edited.pdf

The DPIIT vide a Public Notice dated March 01, 2023, appealed to all the IP Practitioners and Officials to volunteer their time strengthening activities of the National Intellectual Property Awareness Mission (NIPAM).

The mission aims to achieve its objectives by imparting training, spreading IP Awareness, encouraging protection of IP and its fair use. IP Professionals who wish to join in the said voluntary drive can register using the link:

<https://forms.gle/MRyjqABdcGHeCDwD6>

2. Serving of copy of applications to the Board, as mandated under Rule 4, 6 and 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

Date of Circular – March 04, 2023

Effective Date – March 04, 2023

Link: <https://ibbi.gov.in/uploads/legalframework/a64b05965497a2bfb8334195b4ebd35e.pdf>

The Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, obligates an applicant to provide a copy of the application for initiating corporate insolvency resolution process (CIRP) against a corporate debtor, inter alia, to the Board, before filing the same with the Adjudicating Authority.

To ensure filing of authentic information with the Board and further to enable the Board to share information relating to the application for initiation of CIRP with the IU efficiently, the format has been revised. The revised format along with the step-by-step guide for submission of the application are included as annexures to the above-mentioned circular. This circular is issued under Section 10 (2) read with Section 18 of the Payment and Settlement Systems Act, 2007.

3. Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022

Date of Circular – March 10, 2023

Effective Date – March 10, 2023

Link: [https://images.assettype.com/barandbench/2023-03/a9a9b005-220f-4de8-917e-c31a3082e7b8/Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law.pdf](https://images.assettype.com/barandbench/2023-03/a9a9b005-220f-4de8-917e-c31a3082e7b8/Bar_Council_of_India_Rules_for_Registration_and_Regulation_of_Foreign_Lawyers_and_Foreign_Law.pdf)

The Bar Council of India (BCI) on March 10, 2023 notified the *Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022* (Rules) paving the way for the entry of foreign lawyers and law firms into the Indian legal landscape.

The Rules enable international lawyers and arbitration practitioners to advise clients in India on foreign and international law. So, as per the new rules foreign lawyers and law firms are allowed to set up their practice and practice law in India, however, in a controlled and regulated manner. The notification essentially allows foreign lawyers and law firms to register with BCI to practice in India if they are entitled to practice law in their home countries. Under the Rules, they can even open offices in India. However, they cannot practice Indian law.

These Rules cover following sections - Preliminary where the short title, extent, commencement and definitions are provided, Registration of Foreign Lawyers or Foreign Law Firms and the Extent and Conditions subject to which they can practice law in India, Applications for registration, renewal of registration and matters connected with law practice in India, Law practice by foreign lawyers, Disciplinary issues and penalties for securing registration by misrepresentation etc. and Chapter VI provides the regulatory authorities and removal of difficulties clause.

Article 1

PROSECUTION UNDER COMPANIES ACT, 2013

A. Introduction of offence

If the offence is committed, the company and; or its officer in default shall liable to be any punishment or penalty, by way of imprisonment, fine or otherwise. Officer in default is defined under section 2(60) of the Companies Act, 2013 (corresponding to Section 5 of the Companies Act, 1956).

B. Forums for launching prosecution

There are forums for launching prosecution in case of committing offence, i.e.

(i) Ministry of Corporate Affairs constituted Special Courts under Section 435 of the Companies Act, 2013 for the purpose of speedy trial of offences under the Act. In case of offences punishable under the Act wherein imprisonment of two years or more, the offence is triable in the Special Court. It shall consist of a single judge holding office as Session Judge or Additional Session Judge. Otherwise, the offence is triable in the Metropolitan Magistrate or a Judicial Magistrate of the First Class,

The application for review, revision or appeal as the case may be, filed against the order by the aggrieved party. Appeal against the order of Sessions Court may be filed in the Hon'ble High Court. As well, the appeal against the order of High Court may be filed in the Hon'ble Supreme Court.

(ii) Filing application under Section 482 Cr. P.C.

Application may be filed before the Hon'ble High Court for staying prosecution before the District Court, Special Court. *In State of Bihar v. Muran Ali Khan, reported in AIR 1989 SC 1.* Supreme Court held that it is trite jurisdiction under Section 482 Cr. P.C. which saves the inherent power of the High Court, to make such orders as may be necessary to prevent abuse of the process of any Court or otherwise to secure the ends of justice. It has to be exercised sparingly and with circumspection. In exercising that jurisdiction, the High Court would not embark upon an enquiry whether the allegations in the complaint are likely to be established by evidence or not. *In State of Karnataka vs. L.Munisway and Others AIR 1977 SC 1489.* The Supreme Court observed, in the exercise of this wholesome power, the High Court is entitled to quash a proceeding, if it comes to conclusion that allowing the proceeding to continue would be an abuse of the process of the Court or that ends of justice require that the proceeding ought to be quashed. The saving of the High Court's inherent powers, both in civil and criminal matters is designed to achieve a salutary public purpose which is that a court proceeding ought not to be permitted to degenerate into weapon of harassment or persecution.

In I.B.Rao vs. Registrar of Companies, Andhra Pradesh High Court Date of Judgement: 6 June, 2006. Equivalent citations:2007 77 SCL 182 AP. An application under section 482Cr.P.C. was filed against the criminal complaints on the grounds inter-alia limitation period. Three criminal complaints under Sections 63(1), 68 and 628 of the Companies Act, 1956 were filed against the company and its directors alleging that the promises made in the prospectus were not fulfilled before Id. Special Judge

for economic offence. The Hon'ble Court agreed with the submission of the complainant that offence came into knowledge from the date of Regional Directors' letter dated 20.05.2002, which in the office of Registrar/complainant 29.05.2002, hence came into knowledge the office is 29.05.2002 and the complaint is filed within limitation period. Therefore, application dismissed.

(2) National Company Law Tribunal

National Company Law Tribunal has been constituted for the purpose of speedier and effective regulation of the affairs of the companies.

In Union of India vs. R. Gandhi (2010) 11 SCC 1. Hon'ble Supreme Court observed that NCLT is a specialized Tribunal constituted for the purpose of speedier and effective regulation of the affairs of the companies. *In Madras Bar Association v. Union of India (2015) 8 SCC 583.* The NCLT has been created by a specific amendment in the law. The Hon'ble Supreme Court upheld the constitution of NCLT. *In Vistra ITC(India) Ltd & Anr. Vs. Lalit Kumar Jain & Ors, I.A.No.4155/2020 (under Order XXXIX Rule 1 and 2 CPC), Delhi High Court Date of Decision 11th June, 2020.* The Hon'ble Court held that the application is not maintainable in the civil suit as the jurisdiction, if any, to adjudicate on the disputes regarding company vests with NCLT and NCLAT in terms of section 231 read with Section 430 of the Companies Act, 2013.

The NCLT/NCLAT has no power to review its own order. The appeal of the decision of NCLT may be filed in the NCLAT and the appeal against the order of NCLAT may be filed in the Hon'ble Supreme Court by the aggrieved party.

(3) Civil Court for launching civil suit

Even after constitution of NCLT, jurisdiction of the civil court under Section 9 CPC is not ousted. *In Satish Chandra Sanwalka v. Tinplate Dealers Association Pvt. Ltd & Ors.* 189 (2012) DLT 785 (Single Judge) and in the Division Bench of Delhi High Court in *Jai Kumar Arya & Ors. vs. Chhaya Devi & Anr.*, FAO (OS) 253/2017 & CM No.33724/2017, Delhi High Court Dae of order: 7 November, 2017. Even after constitution of NCLT, jurisdiction of the civil court under Section 9 CPC is not ousted. Reliance is placed in the case of *Amonia Supplies SC. In Jai Kumar Arya & Ors. vs. Chhaya Devi & Anr.*, FAO (OS) 253/2017 & CM No.33724/2017, Delhi High Court Dae of order: 7 November, 2017. If the relief claimed in the suit is outside the purview of section 242 of Act, then it is outside the jurisdiction of Tribunal. The suit may be filed. Reliance is placed in the case of *Panipat Woolen and General Mills Co. v. R.L.Kaushik*, 1969 (39) Comp Cas 249 (P & H). In the case of *Jai Kumar Arya & Ors. vs. Chhaya Devi & Anr.*, FAO (OS) 253/2017 & CM No.33724/2017, Delhi High Court Dae of order: 7 November, 2017. The court observed whether the jurisdiction of the civil court in any particular case, ousted or not, would appear to be (i) whether the decision of the tribunal, on which jurisdiction is conferred, is also attributed finality by the statute, and (ii) whether such tribunal can do what the civil court would be able to do and is, therefore, the efficacious alternative to the civil court. Even when these two indicia stand satisfied, the jurisdiction of the civil court would continue to exist where the

action, complained against violate the statute. Reliance is placed.

In Vikram Jairath And Ors. vs. Middleton Hotels Private Limited, A.P.O.T. No.26 of 2019, G.A. 1242 & G.A. No.817 of 2019 with C.S.No.34 of 2019, Calcutta High Court Date of Judgement:27 September, 2019. The Court observed that Section 430 of the Companies Act, 2013 applies in respect of any matter which the Tribunal or the Appellate Tribunal is empowered to determine by or under the Act or any other law for the time being in force. Therefore, declined to grant injunction on the ground of suppression of material fact and similar relief sought simultaneously before the NCLT.

(4)

(i) Filing of Writ under Article 226 of the Constitution of India

The Writ under Article 226 of the Constitution of India is admissible in the High Court generally when there is no alternative remedy. However, the High Court may admit the Writ even if there is alternative remedy in the Act. The ultimate decision is of the High Court either to admit or not the Writ. *In CA V. Venkata Siva Kumar vs. The Union of India, Secretary to the Govt. of India, MCA, New Delhi, W.P. No. 11059 and 11062 of 2019, High Court of Judicature at Madras, Date of Decision 22.01.2021.* Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus to direct to constitute a committee of experts to inquire into the representations made by the petitioners for initiating proceedings under Section 417(e) of the Companies Act, 2013. The Court observed that the Writ Petitions pertain to the matters covered by the IBBI and the functioning of the authorities thereunder. The Court held the matters carried to Court cannot be

looked into nor any mandamus be issued to either the legislature to incorporate any suggestion put forth by the petitioner. The appropriate authority will look into the matter and it will be completely open to such authorities to incorporate or reject the petitioners' suggestions or part thereof. *In the matter of M/s Tharakran Web Innovations Pvt. Ltd. Vs. National Company Law Tribunal, Kochi Bench, WP(C) No.27636 of 2020, 14158 of 2021 High Court of Kerla at Ernakulam Date of Judgement: 1st Day of February, 2022.* It is well settled that exercising or not exercising jurisdiction under Article 226 on issues where an alternative remedy is available, it is more a rule of self restraint. Alternative Remedy will not be a reason for not exercising jurisdiction when the issues relates to enforcement of the fundamental right or violation of principles of natural justice or where the proceedings challenged are without jurisdiction or in cases where the validity of Statute is challenged. Reliance is placed in the Supreme Court case of *Ghanshyam Mishra & Sons (P) Ltd vs. Edelweiss Asset Reconstruction Co. Ltd. reported in [(2021) 9 SCC 657] [sec.63 of IBC, 430 of CA.*

(ii) Supervisory Power of the High Court under Article 227 of the Constitution of India

Article 227 of the Constitution of India confers supervisory power on the High Court wherein the High Court may supervise the working of its junior court like district court, it includes Tribunal. *In Kamal K. Singh vs. Union of India & Ors., Writ Petition (L) No.3250 of 2019, Bombay High Court Date of Decision 29 November, 2019.* The Writ Petition was filed alleging the validity and legality of the order passed by NCLT in the IBC proceedings. The court is of the view that it is necessary to

express anguish over the ineffectivity of the alternative mechanism devised for judicial reviews. The Judicial review and remedy are fundamental right of the citizens. The dispensation of justice by the Tribunals is much to be desired. The Court admitted Writ and issued the Writ of Certiorari and quashed and set aside the impugned order on the ground that the same is a nullity. Once, it is a nullity and cannot be allowed to stand, then the court has no alternative, but to declare that all steps consequential to the order would also not survive. *In Sri S. Raghunathan and Union of India represented by Secretary MCA, Writ Petition No 31899 of 2019(S-RES), Karnataka High Court, Bengaluru Date of Decision 3rd July, 2020.* The Writ Petition is filed under Article 226 and 227 of the Constitution of India praying to quash letter issued by NESL informing the decision of the Board of Directors in determining his contractual appointment. The Writ Petition was dismissed being devoid of merit. *In Atin Arora vs. Oriental Bank of Commerce, C.O.No.3894 of 2019 with CAN 12340 of 2019, Civil Revisional Jurisdiction Appellate Side, Calcutta High Court Date of Decision 13.08.2020.* Revisional Application has been filed by one of the directors of the suspended board of directors of the corporate debtor invoking the Jurisdiction of the Court under Article 227 of the Constitution of India, against the order passed by NCLT Calcutta u/s 7 of IBC whereas the corporate debtor (company) falls under the jurisdiction of NCLT Cuttack. The Hon'ble Court observed that however, even at the time of filing application there was jurisdiction of the NCLT Calcutta but once the NCLT Cuttack has constituted and functioning. The NCLT Calcutta can not proceed with the matter, therefore, the court allowed the Revisional application, quashed the impugned order and directed the Tribunal to transfer the proceedings to the National Company Law Tribunal, Cuttack

Bench. Reliance is placed in the case of *M/s Embassy Property Development Pvt Ltd vs. State of Karnataka & Ors.* reported in *2019 Law Suit (SC) 1942*, *L. Chandra Kumar vs. Union of India and Others* reported in *(1997) 3 SCC 261*, *A V. Venkateswaran, Collector of Customs, Bombay vs. Ramchand Sobhraj Wadhwani and Another* reported in *AIR 1961 SC 1506*, *Sohan lal Baid State of West Bengal and Others* reported in *AIR 1990 Cal 168*. In the matter of *Harishkumar Bhagwandas Jariwala Vs. George Samuel, R/Special Civil Application No.16707 of 2021 with R/Special Civil Application No.16755 of 2021, In the High Court of Gujarat at Ahmedabad, Date of Common Oral Order: 16.11.2021*. Writ Petition was filed against the order of Tribunal as against filing appeal in the Appellate Tribunal. Second Writ Petition was also filed on the almost same ground. The Hon'ble High Court dismissed the petition with cost holding that the Court is of the view that the writ petitions are nothing but an attempt on the part of the petitioners abusing the process of the Court. Reliance is made in the Supreme Court order in the matter of *Udhyami Evam Khadi Gramodyog Welfare Sanstha and another v. State of Uttar Pradesh and others* reported in *(2008) 1 SCC 560* wherein, "A writ remedy is an equitable one. A person approaching a superior court must come with a pair of clean hands. It is only should not suppress any material fact but also should not take recourse to the legal proceedings over and over again which amount to abuse of the process of law."

(5) Adjudication of Penalties

The Central Government may, appoint, as many officer of the Central Government, not below the rank of Registrar within the meaning of Section 454 of the Companies Act, 2013. If the offence is committed, the company and; or officer in default shall liable to be any punishment or penalty, by way of imprisonment, fine or otherwise. Officer in default is defined under section 2(60) of the Companies Act, 2013 (corresponding to Section 5 of the Companies Act, 1956). Fine is the amount of the money that a court can order to pay for an offence after a successful prosecution in a matter. Vis-a-vis a penalty is imposed when a person does not comply with the provision of a specified act or for breaking a certain, law, rule or contract. Penalties do not require court proceedings and are imposed on failing to comply with a provision of an Act. *In the matter of DANA India Pvt. Ltd, RoCP/ADJ/Order/ 173/22-23/DIPL/ 1160-1166 Dated 20 September, 2022.* The Ministry of Corporate Affairs vide its Gazette Notification No.A-42011/112/2014-Ad.II dated 24.03.2015 (S.O. 831(E) dated 24.03.2015) appointed Registrar of Companies as Adjudicating Officer under Section 454(3) of the Companies Act, 2013. The Registrar vide Companies (Amendment) Act, 2019 adjudicated the penalties under section 173(4) of the Companies Act, 2013. The Registrar of Companies having considered the facts and circumstances of the case besides submission made by the Noticee (s) and after taking into consideration the factors contained therein, imposed the penalty on the off dicers in default pursuant to Rule 3(12) of the Companies (Adjudication of Penalties) Rules, 2014 and the proviso of the said Rule and Rule 3(13) of the Companies (Adjudication of Penalties) Rules, 2014 r/w General Circular No.1/2020 dated 2.03.2020. The Registrar is of the opinion that penalty so imposed is

commensurate with the aforesaid failure committed by the notice (s). Appeal against the order may be filed under section 454(5) of the Act in writing with the Regional Directors, Ministry of Corporate Affairs.

If the penalty amount is not deposited by the company and/or its directors, the Registrar shall file prosecution. The order passed under Adjudication of Penalty is administrative. The aggrieved party may file Writ in the Hon'ble High Court under Article 226 of the Constitution of India.

(6) Composition of offence

The company and; or its directors may file application for compounding of offence under Section 441 of the Companies Act. The Compounding application may be filed after launching of prosecution by the Registrar or before launching of prosecution/suo-moto. Where the maximum amount of fine does not exceed rupees twenty five lakh, the application may be adjudicated by the Regional Director. If the maximum amount is more than rupees twenty five lakh, then compounding application may be dealt by National Company Law Tribunal. If the delinquent person is not satisfied with the order of NCLT, it/he may file appeal before the NCLAT. As against, in case of Regional Director, the aggrieved person may file Writ before the concerned High Court wherein the registered office of the company is existed.

In case of further query, clarification, you may direct contact to the Author.

The books titles, “ADJUDICATION OF COMPANIES ACT MATTERS UNDER NCLT” and “LAW ON INSOLVENCY AND BANKRUPTCY” have published of the Author. The books are available respectively at

https://www.amazon.in/dp/9356596808?ref=myi_title_dp

https://www.amazon.in/dp/9353619084/ref=cm_sw_em_r_mt_dp_KXX67601KJSBGXWESMFM

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Article 2

Foreign Law Firms/Lawyers in India

Introduction

Verily, India's journey towards development hath been arduous, owing to the legacy of British colonialism. The Indian economy's watershed moment arrived in the 1990s when it opened up to global markets, triggering intense debate among Indians over globalization and liberalization. Eventually, in 1991, the Indian legal system gave its nod to globalization, which opened the doors to a promising future. Yet, history repeats itself, and we find ourselves at another crossroads with the arrival of foreign law firms in India.

The legal community in India stands bifurcated on this issue, expressing skepticism about the intentions of foreign firms seeking to capture the Indian market and their potential impact on Indian lawyers' livelihoods.

Certainly, the entry of foreign law firms in India marks a significant inflection point, stirring up a tempest in the legal community. The bar finds itself at odds, debating the implications of opening the floodgates to foreign entities seeking to sow their seeds in the Indian legal landscape. Let us delve deep and unearth the ramifications of this move.

The question, whether the Foreign Law Firms/Lawyers can practice law in India? which remained partially answered has now been put to rest as the ambiguity regarding the permissibility of Foreign Law Firms/Lawyers to engage in the practice of law in India has been resolved with the recent notification by the Bar Council of India (BCI) of the Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022 (Rules), thereby facilitating the ingress of foreign lawyers and law firms into the Indian legal milieu.

The Story so far:

Before 2009: Until 2009 India, barred foreign lawyers from formally practicing law in the country.

Year 2009: The issue of foreign law firms entering the Indian market came to courts with a challenge before the Bombay High Court in 2009. In *Lawyers Collective v Union of India*, the Bombay High Court essentially held that only Indians holding Indian law degrees can practice law in India. The HC interpreted Section 29 of the Advocates Act, which states that only advocates enrolled with BCI can practice law. The HC also held that ‘practice’ would include both litigious and non-litigious practice, so foreign firms can neither advise their clients in India nor appear in court.

Year 2012: On February 2012 Madras High Court had in its verdict in *A.K. Balaji v. Gov’t of India* allowed the concept of “fly in and fly out” with regard to foreign lawyers and law firms, thereby, handed over a victory to international law firms keen on entering the Indian market alongside their globalizing clients.

The 3 main observations of the Madras High Court in the said case were:

- (i) Foreign law firms or foreign lawyers cannot practice the profession of law in India either on the litigation or non-litigation side, unless they fulfill the requirement of the Advocates Act, 1961 and the Bar Council of India Rules.
- (ii) There is no bar either in the Act or the Rules for foreign law firms or foreign lawyers to visit India for a temporary

period on a “fly in and fly out” basis, for the purpose of giving legal advice to their clients in India regarding foreign law or their own system of law and on diverse international legal issues.

(iii) Moreover, having regard to the aim and object of the International Commercial Arbitration introduced in the Arbitration and Conciliation Act, 1996, foreign lawyers cannot be debarred to come to India and conduct arbitration proceedings in respect of disputes arising out of a contract relating to international commercial arbitration.

The *Balaji* decision marked the Indian judiciary’s first concerted effort to carve back the blanket prohibition, by permitting foreign lawyers to enter India on a temporary basis to conduct arbitrations or advise clients on matters of foreign and international law, but it was challenged before the Apex Court.

Year 2018: The Hon'ble Supreme Court while disposing the appeal in Bar Council of India Vs. A. K. Balaji and Ors. has settle down the following issues:

Issue No.1 - Whether the expression ‘to practice the profession of law’ includes only litigation practice or non-litigation practice also.

Observation: While interpreting the phrase "to practice the profession of law" appearing in section 29 of the Advocates Act the Hon’ble Court observed that it includes both litigation practice and non-litigation practice.

The understanding of "practice of profession" has thus been given a wider meaning to include provision of advisory services, legal opinions etc.

Issue No. 2 - Whether the practice by foreign law firms or foreign lawyers in India is permissible without fulfilling the requirements of the Advocates Act and the Bar Council of India Rules.

Observation: Apex Court held that practicing of law includes not only appearance in courts but also giving of opinion, drafting of instruments, participation in conferences involving legal discussion. These are parts of non-litigation practice which is part of practice of law. Scheme in Chapter-IV of the Advocates Act makes it clear that advocates enrolled with the Bar Council alone are entitled to practice law, except as otherwise provided in any other law. All others can appear only with the permission of the court, authority or person before whom the proceedings are pending. Regulatory mechanism for conduct of advocates applies to non-litigation work also. The prohibition applicable to any person in India, other than advocate enrolled under the Advocates Act, certainly applies to any foreigner also.

Issue No.3 - Whether there is a bar for the said law firms or lawyers to visit India on 'fly in and fly out' basis for giving legal advice regarding foreign law on diverse international legal issues.

Observation: Apex Court held that a casual or temporary visit for giving advice will not be covered under "practice" and the same is permissible. In case of a dispute whether a foreign lawyer was limiting himself to 'fly in and fly out' on casual basis for the purpose of giving legal advice to their clients in India regarding foreign law or their own system of law and on diverse international legal issues or whether in substance he was doing practice which is prohibited can be determined by the BCI.

Year 2023: Following the directions of the Apex Court the BCI has on 10th March 2023 notified the Bar Council of India Rules for Registration and Regulation of Foreign Lawyers and Foreign Law Firms in India, 2022 (Rules).

What has changed?

Wherein under the old regime foreign lawyers/practitioner were allowed to visit India on temporary and casual basis to advise their foreign clients regarding foreign law on diverse international legal issues, such requirement of 'fly in and fly out' on casual basis has been done away with in the new rules framed by the BCI. Now as per the new rules foreign lawyers and law firms are allowed to set up their practice and practice law in India, however, in a controlled and regulated manner. The notification essentially allows foreign lawyers and law firms to register with BCI to practice in India if they are entitled to practice law in their home countries. However, they cannot practice Indian law.

What are the areas in which the foreign lawyers and firm can now practice?

- Allowed to advise their clients about Foreign laws and International laws only.
- Render advisory work about such laws for their foreign clients only.
- Shall be allowed to function in non-litigation areas only.
- Indian lawyers working with foreign law firms will also be subject to the same restriction of engaging only in “non-litigious practice”
- Foreign lawyers would be allowed to appear for their clients in International Commercial Arbitration.

- Entry of foreign lawyers would be on reciprocal basis only i.e. lawyers of only those countries would be permitted in India, where Indian lawyers are also permitted to practice
- Shall not be involved or permitted to do any work pertaining to conveyancing of property, title investigation etc.
- Transactional work, corporate work such as joint ventures, mergers and acquisitions, intellectual property matters, drafting of contracts.

However, for doing so, foreign lawyers and foreign firms are required to get them registered first with the BCI first. However, this rule can be relaxed for foreign lawyer or foreign law firm who are coming to India on a 'fly in and fly out' basis for the purpose of giving legal advice to a client on foreign law or international legal issues. For 'Fly in and Fly out' cases, the lawyer or firm cannot have an office in India and practice law for more than 60 days in any period of 12 months.

The registration fee for a foreign lawyer is \$25,000 (approximately Rs 20.64 lakhs) and for foreign firms, the registration fee stands at \$50,000 (approximately Rs. 41.28 lakhs).

Why would foreign firms come to India?

The impressive economic growth of India has garnered widespread global recognition, leading to a surge in the demand for legal professionals and a concomitant increase in the volume of legal work. As a result, foreign law firms perceive India as a lucrative business opportunity, especially given the proliferation of cross-border transactions and the consequent need for seamless legal services across multiple jurisdictions.

Moreover, in keeping with the trend of professionalization and specialization in the legal sector, Indian lawyers are increasingly seeking work experience in foreign jurisdictions to augment their skillsets and gain exposure to global best practices. This has created a talent pool of Indian legal professionals who are conversant with foreign laws and can cater to the needs of Indian businesses that seek to operate in foreign markets.

Additionally, foreign law firms have a long-standing history of operating in India through various modes such as referral arrangements, talent-sharing, joint marketing efforts, and remote servicing of Indian clients from outside India. By leveraging their

Indian associates and partners, these firms have established a formidable presence in the Indian legal market, often by recruiting lawyers exclusively trained in Indian law.

Hence, it is evident that foreign law firms have been a part of the Indian legal landscape for a considerable period and are poised to play an increasingly crucial role in the country's economic development.

Advantages of foreign firms coming to India

1. Increase in Competition: Competition in the legal sector will increase, which will lead to higher standards of service.
2. Higher Pay Scale: Foreign law firms are expected to offer higher pay scales, which will benefit Indian professionals and increase their salaries.
3. FDI: Foreign Direct Investment (FDI) is likely to increase, and India could become a hub for International Commercial Arbitration.

4. **More Opportunities:** More collaboration, acquisitions, and partnerships with local firms are expected to take place, which could lead to greater opportunities for Indian law firms and professionals.
5. **Expertization:** Foreign law firms that establish a physical presence in India are expected to provide better and more efficient advice to Indian corporations regarding their offshore investments, due to their familiarity with the legal and regulatory intricacies of the Indian market.

Disadvantages of foreign firms coming to India

1. **Power Shift:** There is also a fear that the entry of foreign law firms would lead to a shift in power and control from Indian hands to foreign hands.
2. **Competition and Monopoly:** The entry of foreign law firms may bring competition and raise the standards of service in the legal sector, but Indian law firms and lawyers may not be ready to face this competition and may lose their monopoly.
3. **Disparities in Wealth:** The top lawyers in India are becoming increasingly wealthy, while a vast majority is struggling to make ends meet, and there is a fear that the entry of foreign law firms would increase this disparity.
4. **Reciprocity Aspect:** There are concerns regarding reciprocity, as Indian law firms are subject to restrictions such as the prohibition on advertising and having a maximum of 20 partners, while foreign law firms may not face similar limitations.
5. **Recognition of Law Degrees:** The law degrees conferred by Indian institutions may not be recognized in foreign countries.

Are there any threats from foreign firms coming to India?

- 1. Indirect practice of Indian laws** - This is one of the bigger concerns as the potential of foreign law firms to engage in ancillary or multi-disciplinary practices that involve the indirect or surrogate provision of legal services related to Indian laws is not unknown. Practices of foreign firms which could include advisory services, knowledge process outsourcing, or partnerships with Indian law firms, may contravene regulatory requirements and ethical norms, potentially creating risks for the integrity and autonomy of the Indian legal industry. The crux of the concern is whether foreign law firms will operate in a manner that aligns with Indian legal standards and ethical principles, or whether they will seek to circumvent such standards through indirect or surrogate practices.
- 2. Lack of Jurisdiction** - Foreign law firms would have to 'normally' abide by the same ethical and practice standards laid down under the Advocates Act, according to the notification. For instance, Indian lawyers cannot accept contingent fees nor advertise. Moreover, disciplinary action against such foreign firms can only be taken by the disciplinary authority of the concerned foreign country and not by the Indian Bar Council depriving the council of its legitimate jurisdiction.
- 3. Lack of Regulatory Oversight** – To address one of the bigger concerns of preventing foreign firms from practicing Indian laws a stricter and continuous regulatory oversight is required. The need of the hour is to frame specific laws providing ramifications in the form of penalties, debarment, etc. if foreign firms are found doing such practices which are not allowed under the law of the land or are not in accordance with the rules framed by the BCI in this regard.

Certainly, the liberalization of the legal sector and the amendment of the Advocates Act coupled with the establishment of a regulatory mechanism to ensure a level playing field for foreign firms is the key to a prosperous future for our country. Furthermore, commencing the policy with limited licensing and confining foreign firms to practice only the laws of their own country, without encroaching upon Indian laws, will ensure the success of such liberalization.

If we fail to take measures to enable the entry of foreign law firms, we shall have none but ourselves to fault, since some foreign law firms will still find loopholes to access this lucrative Indian market, doing so unregulated. Some foreign law firms have already forged strategic alliances with Indian firms and claim, outside of India, that they have Indian affiliates.

In summary, the entry of foreign firms presents a mutually beneficial scenario. In recent years, we have witnessed the opening of various sectors, including aviation, telecommunications, and banking, among others. This has attracted several foreign firms to India, providing numerous options to consumers, fostering competition, and benefiting the economy. The government has always played a positive role in establishing a level playing field, which has in turn boosted the economy. Once the Indian market opens to foreign legal expertise, it will usher in a revolution similar to the IT revolution of yesteryears. The results of China and Japan opening their legal markets are clear for all to see. We are already behind schedule and have much catching up to do.

Hence, it is incumbent upon us to keep our legal norms dynamic and on par with international standards by welcoming and encouraging foreign firms to our system.

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Article 3

Corporate Social Responsibility

Section 135

(1) **Every company** having **net worth** of rupees **five hundred crore** or more, or **turnover** of rupees **one thousand crore** or more or a net profit of **rupees five crore** or more during "[the immediately preceding financial year) shall constitute a Corporate Social Responsibility Committee of the Board consisting of **three or more directors**, out of which **at least one director** shall be an **independent director**.

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

(2) The Board's report under sub-section (3) of section 134 shall disclose the **composition** of the Corporate Social Responsibility Committee.

(3) The Corporate Social Responsibility Committee shall,-

(a) **formulate and recommend** to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company "in areas or subject, specified in **Schedule VII**";

(b) **recommend** the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) **monitor** the Corporate Social Responsibility Policy of the company from time to time.

The Board of **every company** referred to in sub-section (1) **shall**,-

- (a) after taking into account the **recommendations** made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and **disclose** contents of such **Policy** in its report and also place it on the **company's website, if any**, in such **manner** as may be prescribed; and
- (b) **ensure** that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the Company.

(5) The Board of **every company** referred to in sub-section (1), shall ensure that the company **spends**, in every financial year, **at least two per cent.** of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such **immediately preceding financial years**, in pursuance of its Corporate Social Responsibility Policy:

Provided that the company shall give preference to the **local area** and areas around it where it operates, for **spending** the amount earmarked for Corporate Social Responsibility activities:

Provided further that if the company **fails** to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the **reasons** for not spending the amount and, unless the unspent amount relates to any **ongoing project** referred to in sub-section (6), transfer such unspent amount to a **Fund** specified in Schedule VII, within a **period of six months** of the **expiry** of the financial year.

Provided also that if the company **spends** an amount in **excess** of the requirements provided under this sub-section, such company may set off **such excess amount** against the requirement to spend under this sub-section for such number of **succeeding** financial years and in such manner, as may be prescribed.

Explanation.-For the purposes of this section "**net profit**" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.

(6) Any amount remaining **unspent** under sub-section (5), pursuant to any **ongoing project**, fulfilling such conditions as may be prescribed, undertaken by a company in **pursuance** of its **Corporate Social Responsibility Policy**, shall be **transferred** by the company within a period of **thirty days** from the end of the financial year to a **special account** to be opened by the company in that behalf for that financial year in any **scheduled bank** to be called the **Unspent Corporate Social Responsibility Account**, and such amount shall be **spent** by the **company** in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of **three financial years** from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in **Schedule VII**, within a period of **thirty days** from the date of completion of the third financial year.

(7) If a company is in **default** in complying with the provisions of sub-section (5) or sub-section (6), the company shall be liable to a **penalty** of **twice** the amount required to be **transferred** by the company to the **Fund** specified in **Schedule VII** or the **Unspent Corporate Social Responsibility Account**, as the case may be, or **one crore rupees**, whichever is **less**, and **every officer** of the company who is in default shall be liable to a penalty of **one-tenth** of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or **two lakh rupees**, whichever is **less**.

(8) The **Central Government** may give such **general or special directions** to a company or class of companies as it considers necessary to ensure compliance of provisions of this section and such company or **class of companies** shall comply with such directions.

(9) Where the amount to be spent by a company under sub-section (5) does not exceed **fifty lakh rupees**, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the **functions** of such Committee provided under this section shall, in such cases, be discharged by the **Board of Directors** of such company.

? **What is Administrative overheads**

"Administrative overheads" to mean the expenses incurred by the company for '**general management and administration**' of CSR functions in the company but shall **not include** the expenses directly incurred for the **designing, implementation, monitoring, and evaluation** of a particular CSR project or programme.

? **What should not be considered in CSR...**

following shall not be considered in CSR, namely:-

(i) activities undertaken in pursuance of **normal course of business** of the company:

Provided that any company engaged in **research and development** activity of **new vaccine**, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020- 21, 2021-22, 2022-23 subject to the conditions that-

? **What should not be considered in CSR...**

(a) such **research and development** activities shall be carried out in **collaboration** with any of the **institutes or organisations** mentioned in item (ix) of Schedule VII to the Act;

- (b) details of such activity shall be disclosed **separately** in the **Annual report** on CSR included in the **Board's Report**;
- (ii) any activity undertaken by the company **outside India except** for **training of Indian sports** personnel representing any **State or Union** territory at **national** level or India at **international** level;
- (iii) contribution of any amount directly or indirectly to any **political party** u/s 182 of the Act;

? What should not be considered in CSR...

- (iv) activities benefitting employees of the company as defined in section 2(k) of the **Code on Wages, 2019**;
- (v) activities supported by the companies on **sponsorship basis** for deriving **marketing benefits** for its products or services;
- (vi) activities carried out for fulfilment of any other **statutory obligations** under any law in force in India.

? What is “Ongoing Project”

Ongoing Project means a **multi-year** project undertaken by a Company in fulfilment of its CSR obligation having **timelines not exceeding three years excluding** the **financial year** in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

? Foreign Company is required to follow CSR Provision

Foreign company defined u/s 2(42) of the Act having its **branch office or project office** in India, which **fulfills** the **criteria** specified in section 135(1) of the Act shall comply with the provisions of section 135 of the Act and these rules.

Provided that **net worth, turnover or net profit** of a foreign company of the Act shall be computed in accordance with balance sheet and profit and loss account of such company prepared in accordance with the provisions section 381(1)(a) and section 198 of the Act

? When CSR Compliances are not required to comply

Every Company which **ceases** to be a company covered under section 135(1) of the Act for **three consecutive** financial years shall **not** be required to-

- (a) constitute a CSR Committee; and
- (b) comply with the provisions contained in sub-sections (2) to (6) of the said section, till such time it meets the criteria specified in section 135(1).

? When CSR Committee is not required to constitute

Section 135(9) provides that where the **amount** to be spent by a company u/s 135(5) **does not exceed fifty lakh rupees**, the requirement u/s 135(1) for constitution of the CSR Committee shall not be applicable and the *functions* of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

? What is the Role of CSR Committee

\CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- (a) the **list of CSR projects** or programmes that are approved to be undertaken in areas or subjects specified in **Schedule VII** of the Act;
- (b) the **manner of execution** of such projects or programmes.
- (c) the modalities of **utilisation of funds** and **implementation** schedules for the projects or programmes;

(d) **monitoring** and **reporting** mechanism for the projects or programmes; and

(e) details of **need** and **impact assessment**, if any, for the projects undertaken by the company:

Provided that Board may **alter such plan** at **any time** during the financial year, as per the **recommendation** of its CSR Committee, based on the reasonable **justification** to that effect.

? How to report about CSR

CSR Reporting in the **Annexure I (prior to 1st day of April, 2020) or II (after 1st day of April, 2020)** as may be applicable Rule 8(1) provides the Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable.

? Treatment of Unspent CSR Amount

Nature of unspent amount	Action required	Action required
Unspent amount pertains to ongoing projects	Transfer such unspent to a separate bank account of the company to be called as Unspent CSR Account.	Within 30 days amount to a separate from the end of the financial year.
Unspent amount pertains to other than ongoing projects	Transfer unspent amount to any fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

? Can administrative expenditure on CSR exceed 5% of the CSR expenditure

As per Rule 7(1) provides that the board shall ensure that the administrative overheads shall **not exceed five percent** of total CSR expenditure of the company for the financial year.

? What is the treatment of surplus arising from CSR activities

Rule 7(2) provides that any surplus arising out of the CSR activities **shall not** form part of the **business profit of a company** and shall be ploughed back into the same project or shall be **transferred** to the **Unspent CSR Account** and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a **Fund** specified in **Schedule VII**, within a period of **six months** of the expiry of the financial year.

?What is treatment, if company spends an amount in excess of requirement u/s 135(3)

Rule 7(3) provides that where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be **set off** against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding **three financial years** subject to the conditions that-

- (i) the **excess amount** available for set off shall **not** include the **surplus** arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule.
- (ii) the Board of the company shall pass **a resolution** to that effect.
- (a) The impact assessment reports shall be placed before the Board and shall be annexed to the **annual report** on CSR.

? How to deal with creation of assets under CSR

Rule 7(4) provides that the CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by-

- (a) a company established **u/s 8** of the Act, or a **Registered Public Trust** or **Registered Society**, having **charitable objects** and CSR **Registration** Number under rule 4(2); 'or
- (b) beneficiaries of the said CSR project, in the form of **self-help groups, collectives, entities**; or
- (c) a **public** authority:

? Requirement for obtaining impact assessment reports

- (a) Every company having **average CSR obligation** of **Rs. 10 crore** or more in pursuance of section 135(5) of the Act, in the **three immediately preceding financial years**, shall undertake impact assessment, through an **independent agency**, of their CSR projects having **outlays** of one crore rupees or more, and which have been completed not less than **one year** before undertaking impact study.
- (b) The impact assessment reports shall be placed before the Board and shall be annexed to the **annual report** on CSR.
- (c) A Company undertaking impact assessment may book the expenditure towards CSR for financial year, which shall not exceed **five percent** of the **total CSR expenditure** for that financial year or **Rs. 50 lakh**, whichever is **less**.

Know more about ongoing project

Section 135(6) provides that any amount remaining **unspent u/s 135(5)**, pursuant to any ongoing project fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its CSR Policy, shall be **transferred** by the company within a **period of 30** days from the **end** of the **financial year** to a special account to be opened by the company in that behalf for that financial year in any **bank scheduled** to be called the **Unspent CSR Account**, and such amount shall be spent by the company in pursuance of its obligation towards the CSR Policy within a period of **3 financial years** from the date of such transfer, **failing** which, the company shall transfer the same to a **Fund** specified in Schedule VII, within a period of **30 days** from the date of completion of the **third financial year**.

? How to ascertain that funds for CSR have been utilised

Rule 3(5) provides that the Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the **Chief Financial Officer** or the **person responsible** for financial management shall certify to the effect.

? What is the list of CSR Activities

Activities which may be included by companies in their Corporate Social Responsibility Policies Activities as per Schedule VII :-

- (i) Eradicating hunger, poverty** and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, **animal welfare**, agroforestry, conservation of natural resources and maintaining quality of soil, **air** and **water** including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) protection of national heritage, art and culture** including restoration of buildings and sites of **historical importance** and works of art; setting up **public libraries**; promotion and development of traditional art and handicrafts;
- (vi) measures for the benefit of **armed forces veterans**, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (**CPMF**) veterans, and their dependents including widows;
- (vii) training to promote **rural sports, nationally** recognised sports, **paralympic** sports and **Olympic** sports.
- (viii) contribution to the **prime minister's national relief fund** or Prime Minister's **Citizen Assistance and Relief in Emergency Situations Fund** (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the **schedule caste, tribes, other backward classes, minorities and women**;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, **funded** by the **Central Government or State Government** or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to **public funded Universities**; Indian Institute of Technology (**IITs**); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (**DBT**); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (**DRDO**); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (**ICMR**) and Council of Scientific and Industrial Research (**CSIR**), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (**SDGs**).

Explanation. For the purposes of this item, the term '**slum area**' shall mean any area declared as such by the **Central Government** or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

(x) **rural development** projects

(xi) slum area development.

An Entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing of Form CSR-1

(a) Every entity, covered under rule 4(1), who intends to undertake any CSR activity, shall register itself with the Central Government by filing the **form CSR-1** electronically with the Registrar, with effect from the 1st day of April 2021:

Provided that the provisions of this sub-rule shall not affect the CSR projects or programmes approved prior to the 1st day of April, 2021.

(b) Form CSR-1 shall be signed and submitted electronically by the entity and shall be **verified digitally** by a Chartered Accountant in practice or a Company Secretary in practice or a Cost Accountant in practice.

(c) On the submission of the Form CSR-1 on the portal, a **unique CSR Registration Number** shall be generated by the system automatically.

? Undertake CSR activities itself or through

(a) company established **u/s 8** of the Act, or a **Registered Public Trust** or a **Registered Society** registered u/s 12A and 80G of the Income Tax Act, 1961 established by the company, singly or **along with** any other company, or

(b) a company established u/s 8 of the Act or a registered trust or a registered society, established the **Central Government** or State Government; or

- (c) any entity established under an Act of **Parliament or a State legislature**; or
- (d) a company established u/s 8 of the Act, or a registered public trust or a registered so registered u/s 12A and 80G of the Income Tax Act, 1961, and having an established track of at **least three years** in undertaking similar activities.

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Company Secretary

Case Laws

CASE LAWS

1. In **BLS Infrastructure Limited vs Rajwant Singh**, the Supreme Court has observed that where the complainant had already been examined as a witness in the case, it would not be appropriate for the Court to pass an order of acquittal merely on non-appearance of the complainant.
2. In **Vikas Rathi v. State of U.P. And Anr**, the Supreme Court observed that though exercise of jurisdiction under Section 319 of the Code of Criminal Procedure is discretionary, it ought to be done only where strong and cogent evidence occurs against a person from the evidence before the Court. The Court further observed that “*the test that has to be applied is one which is more than prima facie case as exercised at the time of framing of charge, but short of satisfaction to an extent that the evidence, if goes un rebutted, would lead to conviction.*”
3. In **Ravi Dhingra v. State Haryana**, the Supreme Court observed that merely intimidating a kidnapped child to stop him from shouting for help did not prove the ingredient of threat resulting in a reasonable apprehension that such person may be hurt or killed as required for sustaining a conviction under Section 364A (kidnapping for ransom, etc.) of the Indian Penal Code. It further observed that “The second ingredient of the charge under Section 364A, namely, threat resulting in giving rise to a reasonable apprehension that such person may be put to death or hurt have not been proved beyond reasonable doubt. The courts below did not thoroughly address this doubt before convicting the appellants. For proving the ingredient of threat, the intimidation of the child victim, for the purpose of making him silent, cannot be enough. If the sentence carrying a maximum sentence of death and a minimum sentence of life sentence has such a low evidentiary threshold, the difference between punishments for kidnapping under 363, 364 and 364A shall become meaningless.”

4. In **Director General, Doordarshan Prasar Bharti Corporation vs Smt. Magi H Desai**, Supreme Court has held that as per Central Civil Services (Pension) Rules 1972, period of services rendered as a contractual employee cannot be said to be service rendered on a substantive appointment. Hence, such service as contractual employee will not qualify as service for the purpose of pensionary benefits.

"Therefore, the services rendered on a substantive post or services rendered as officiating or temporary service shall be treated as qualifying service. Service rendered as casual/contractual cannot be said to be officiating or temporary service. Even the services rendered as temporary service can be considered as qualifying service provided that the officiating or temporary service is followed without interruption by substantive appointment in the same or another service or post. Service rendered as casual/contractual cannot be said to be service rendered on a substantive appointment"

5. In **Anil Kumar vs State of Haryana**, the Supreme Court held that the period of parole granted to prisoners during the COVID-19 pandemic period to prevent the overcrowding of prisoners cannot be counted towards the period of actual imprisonment underwent by the prisoner.

6. In **Abhishek Singh v Huhtamaki Ppl Ltd. & Anr.**, the Supreme Court has observed that Section 12A of IBC permits withdrawal of applications admitted under Sections 7, 9 and 10 of IBC. The approval of 90% of CoC members would be required when withdrawal is being made after constitution of CoC. However, Section 12A does not debar entertaining applications for withdrawal even before constitution of CoC and thus the said application cannot be kept pending for constitution of CoC. It has been held as under:

"The IBBI which had the power to frame Regulations wherever required and in particular section 240 of IBC for the subjects covered therein had accordingly substituted Regulation 30A dealing with the procedure for disposal of application for withdrawal filed under section 12A of IBC.

The substituted Regulation 30A of IBC as it stands today clearly provided for withdrawal applications being entertained before constitution of CoC. It does not in any way conflicts or is in violation of section 12A of IBC. There is no inconsistency in the two provisions. It only furthers the cause introduced vide section 12A of IBC.

7. In **Ganesh Prasad vs Rajeshwar Prasad and others**, the Supreme Court has held that a second suit by a mortgagor for redemption of mortgage is not barred merely because the first suit was dismissed for default, unless the right to redemption of mortgage has been extinguished.
8. In **Prasanta Kumar Sahoo & Ors. v Charulata Sahu & Ors.**, the Supreme Court has held that during the pendency of a partition suit, the parties can seek benefit of the amended law, when final decree has not been passed. Accordingly, the preliminary decree in a partition suit can be varied in the final decree proceedings, if the law governing the parties has been amended.

Compliance Checklist



COMPLIANCE CALENDAR FOR APRIL 2023

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Tax Related Compliance

GSTR-1 Return (Monthly)

GSTR-3B Return (Monthly)

GSTR-5

GSTR-6

Due date for deposit of Tax deducted/collected for the month of March 2023

FEMA Related Compliance

Reporting of actual transactions of External Commercial Borrowings (ECB) through AD Bank under FEMA

RBI Related Compliances

Monthly return (NBS-6) on exposure to capital market

Monthly statement of short-term dynamic liquidity in Form ALM-I

Economic, Industrial & Labour Law Related Compliance

Monthly payment of PF (Non-Corporate)

File monthly return of employees entitled for membership of Insurance Fund (Form No.2 (IF))

File Monthly Return (Form No.5) for employees leaving / joining during the Previous Month

File monthly Return for members of Insurance Fund leaving service during the previous month (Form No.3 (IF))

File monthly return of members joining service during the previous month (Form No. F4(PS))

SEBI Related Compliances

Statement of Grievance Redressal Mechanism.

Corporate Governance Report.

Shareholding Pattern.

Reconciliation of share capital audit report.

Compliance Certificate by RTA (DEMAT)

Ministry of Corporate Affairs

MSME- 1, Pending payments to MSME vendors as at end of half year.

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