CORPORATE JOURNAL

"TO FACILITATE OVERALL PROFESSIONAL DEVELOPMENT WITH ENLIGHTENED INFORMATION"

"IT'S GOOD TO STAND AT ZENITH AND SEE SOMEONE AS YOUR AIM
BUT IT FEELS BEST WHEN YOU STAND THERE & SOMEONE SEES YOU AS THEIR AIM"

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Articles / other materials and suggestions are invited from the Members for publication in forthcoming Issues. All articles submitted will be subjected to review and published only after accepted for publication.

Kindly send the articles and other relevant material for publication along with your photograph at ankursrivastavacs5985@gmail.com. We assure that we empower you with the knowledge you seek.

============================ FROM THE EDITOR ============================

CS Ankur Srivastava
Editor

Dear Professional Colleagues & Friends,

At the outset, I wish all the stakeholders and associates of Corporate Journal a very Happy New Financial Year 2016-17. Pay taxes on your last year earnings and strive to earn more not only in terms of wealth but also in terms of name, fame, love, happiness, peace and moreover satisfaction of having all such.

Last fiscal was full of changes, updations & new enactments and to comprehend the length and breadth of their impact and our preparedness to adapt such changes, a shift in strategy is required. We as a professional have to review our performance and potential of growth. This exercise would surely enable us to configure and implement the strategic plan for the next year.

The Corporate Laws and its procedures are dynamic in nature and are another transformation phase since couple of months. The Corporate procedures are also undergoing major changes in consonance with global developments and demands. The establishment of NCLT and NCLAT are one of the major progress in this sphere.

At this phase of transformation with the changes in dynamics of the boardroom and the procedures to be adopted for any corporate decision, Directors tend to rely on the specialist skills and technical knowledge of the Professional.

These developments will not only throw number of opportunities to the Professionals but also cast responsibility for them to understand the paradigm of change, update, adapt and equip themselves to perform the desired role and remain competitive for the professional services.

All the Best and keep contributing towards the betterment of our profession.

Happy Reading.

CS Ankur Srivastava
Editor

================================ ARTICLE ==================================

SOURCES OF FUNDING- Private Limited Company

If Promoters are starting a business (Company) or trying to grow an existing business (Company), all certainly will need money. This money can come from various sources.

Source of Funding:

Roughly speaking, Investments break down into two different forms: Debt and Equity.

Debt Funding: Debt means money borrowed from lenders by the company and it pay the interest on that investment. Companies are required to repay the money with interest over time. Debt include debentures, loans and borrowing etc.

Equity Funding: Company can take on an equity investment - in which Company can sell a portion of the Company to an investor in return for cash or something else of value. Equity funding includes shares (Equity/Preference Shares).

CS Divesh Goyal

Generally first source of capital will probably be the loan from promoters. Few businesses are entirely funded by parties other than the entrepreneur. There are definite advantages for promoters here: 100% control and ownership. Promoters own the whole company, control the show, and stand to reap the gains so that your venture become valuable. In this article we will discuss funding of Private Limited Company by Debt .

As per sub-clause (iii) of Clause 68 of Section 2 of Companies Act, 2013 definition of Private Company "means a Company which by its articles ***prohibits*** *any invitation to the public* to subscribe for any securities of the Company;

Loan & borrowing:

A. [1]**SECTIONS INVOLVED**

- Section 179(3) The Board of directors of the Company shall borrow money on the behalf of Company means of resolutions passed at meetings of Board of Directors.
- Section 2(31) Includes any receipt of money by way of deposit or ***Loan*** or in any other form by a Company.
- [2]Section 73 Prohibition on acceptance of deposits from public.

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[1] Private Limited Companies are exempted from the provisions of Section 180(1)(c) and 117(3)(g) w.e.f. 05th June, 2015.

[2] The word "Company" in Section 73 includes a public Company of any size and a private Company.

B. RULES INVOLVED:

- Rule 4,5,6,7 of (The Companies (Acceptance of Deposits) Rules, 2014- Forms and particulars of advertisements or circulars, manner and extent of deposit, Creation of security and of Trustee for deposits
- Rule 18 of The Companies (Share Capital and Debenture) Rules, 2014

C. CIRCULAR INVOLVED:

- G.S.R. 464(E) dated 5th June, 2015 –
    - According to this circular there is no need to file MGT-14 by Private Limited Company on acceptance of loan.
    - Section 180 does not apply on the Private Limited Company.
    - Clause (a) to (e) of sub-section (2) of Section 73 shall not apply to Private Limited Company which accepts any monies from its members monies not exceeding 100% of aggregate of the paid up share capital and free reserves, and such Company shall file the details of monies so accepted to the Registrar in such manner as may be Specified.
- G.S.R. 695(E) dated 15th September, 2015- The Companies (Acceptance of Deposit) second amendment Rules, 2015'

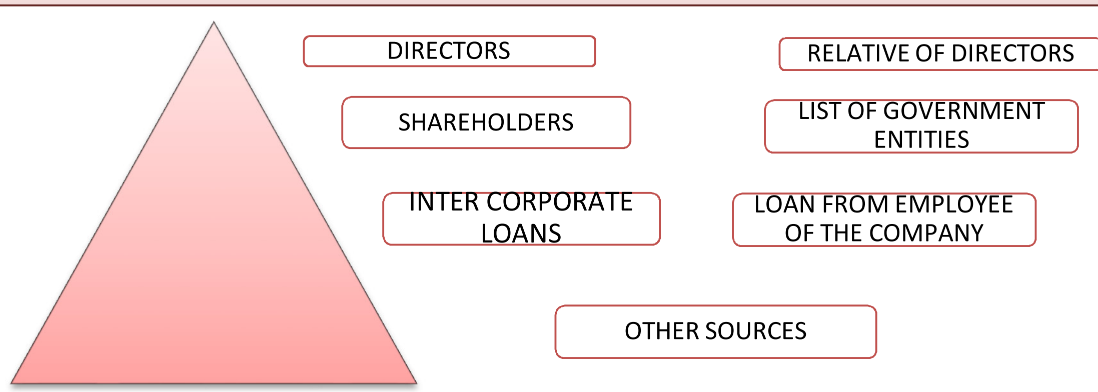
D. FORMS INVOLVED:

No form is required to be filed with ROC in case of acceptance of Loan by Private Limited Company.

E. RESOLUTION INVOLVED:

- For the acceptance of Loans by the Private Limited Company a "[3]Board Resolution" shall be passed in the Board Meeting of the Company.
- Board Meeting can be held through video conferencing also.

COMPANIES ACT, 2013 PERMITS THE PRIVATE COMPANIES TO BORROW



[3] Board resolution can't be passed by Circular Resolution in case of acceptance of loan.

i. **Loan From Directors:**

As per Chapter V, Companies (Acceptance of Deposits) Rules, 2014, point VIII of definition of Deposit.

Any amount receipt from a person, who at the time of acceptance was a Director of the Company, will not be considered as Deposit.

Note:

- Position at the time of acceptance of Deposit will be considered.
- Director will submit a declaration with the Company that amount is not being given out of the funds acquired by him by borrowing or accepting loans or deposits from others.
- Company can accept any amount of Loan from the Director.

ii. **Loan from shareholders:**

Private Limited Company can accept deposits from the Members upto 100% of aggregate of the paid up share capital and free reserves. (Clause (a) to (e) of Section 73(2) will not be applicable on Private Limited Company if deposit is upto 100% of paid up share capital and Free Reserve)

a. If the Company wants to accept the deposits of more than 100% of paid up share capital and free reserve from the members of the Company then company can accept the same by the procedure mentioned under Section 73.

iii. Loan from Relatives of Directors:

As per Companies (Acceptance of Deposit) second amendment rules, 2015 in rule 2, in sub-rule (1), clause (c), of sub-clause (viii), the following shall be substituted, namely:-

(viii) any amount received from a person who, at the time of the acceptance of the amount, was a director of the Company or a *relative of the director of the private limited company*.

Any amount receipt from a person, who at the time of acceptance was a relative of director of the Company, will not be considered as Deposit.

Note:

- Position at the time of acceptance of Deposit will be considered.
- Relatives of directors will submit a declaration with the Company that amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.

- Company can accept any amount of Loan from the relative of director.
- The Company shall disclose the details of money so accepted in the Board's Report.

iv. <u>Loan from other Company:</u>

As per sub clause (vi) of clause (c) of rule 1 of the Companies (Acceptance of Deposits) Rules, 2014, Deposit doesn't include any amount received by Company from any other Company (Inter corporate Loans).

<u>Conditions:</u>

The Company which is giving the loan complies with the conditions of Section 186 and Section 185 of Companies Act, 2013. These sections are not applicable on the Company accepting the loan.

➢ <u>Allowable Loan Foreign Holding to Indian Subsidiary.</u>

Section 185 is applicable only when a 'company' gives loan to its director or any person in whom the director is interested. However, the definition of a 'company' under Section 2(20) means only a company incorporated under 2013 Act or any previous company law. So, the restriction in Section 185 will not apply when a holding company incorporated outside India gives a loan, guarantee or security to its Indian subsidiary.

➢ <u>Loan Holding – Wholly Own Subsidiary</u>

Any loan made by a Holding Company to its Wholly own Subsidiary Company or any guarantee given or security provided by a Holding Company in respect of any loan made to its wholly own subsidiary Company. Condition: loan made under this clause utilized by the wholly own subsidiary company for its <u>principal business activity only.</u>

➢ Company can accept Loan also from Section 8 Companies, one person Company.

> Question: Whether LLP can give Loan to Company under this exemption:
>
> Solution: NO, LLP can't give loan to Private Limited Company under this Clause. Because this clause cover only Company not Body Corporate.

v. <u>Loan from employee of the company:</u>

As per sub clause (x) if clause (c) of rule 1 of the Companies (Acceptance of Deposits) Rules, 2014, Deposit doesn't include any amount received from any employee of the Company <u>*not exceeding his annual salary*</u> under a contract of employment with the company in the nature of non-interest bearing security deposit.

vi. Loan from government entities:

State/ Central Govt.

- Any amount received from the Central Government or a State Government, or any amount received from any other source whose repayment is guaranteed by the Central Government or a State Government or any amount received from a local authority, or any amount received from a statutory authority constituted under an Act of parliament or a state legislature;

Foreign Government/ other Sources:

- Any amount received from foreign Governments, foreign/ international banks, multilateral financial institutions (including, but not limited to, International Finance Corporation, Asian Development Bank, Commonwealth Development Corporation and International Bank for Industrial and Financial Reconstruction), foreign government owned development financial institutions, foreign export credit agencies, foreign collaborators, foreign body Corporates and foreign citizens, foreign authorities or persons resident outside India subject to the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made there under

Loan from Banking Company:

- Any amount received as a loan or facility from any banking company or from the State Bank of India or any of its subsidiary banks or from a banking institution notified by the Central Government under section 51 of the Banking Regulation Act, 1949 (10 of 1949), or a corresponding new bank as defined in clause (d) of section 2 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (5 of 1970), or from a co-operative bank as defined in clause (b-ii) of section 2 of the Reserve Bank of India Act, 1934 (2 of 1934);

vii. Loan from other sources:

- Any non-interest bearing amount received or held in trust;
- Section 2(30) Debenture include debenture stock, bonds or any other instrument of a Company evidencing a debt. A Company may issue debentures under Section 71 of CA-2013.

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6. Companies are not allowed to borrow from followings

I. [4]Loan to Companies fall under Section 185:

As per Section 185: No Company (Private & Public)

- Directly or Indirectrly
- Advance any loan, including book debt,
- to any of its **director**s or to a**ny **other person in whom the director is interested**

Other person in whom the director is interested:

i. Any private company of which director is a director or member
ii. Body Corporate in which 25% or more voting power rests with one or more directors
iii. Body Corporate whose Board accustomed to act on directions of BOD or Directorsof lending company.

It is clear from the above mentioned extract provision of Section 185 that, A Company can't give the loan to Director and person in whom the director is interested.

Example:

I. If Mr. A is Director of Company XYZ (Private Limited Company) and Director of Company PQR. Then Company PQR can't accept loan from Company XYZ.

II. If Mr. A is Director of Company XYZ (Private Limited Company) and member of Company PQR. Then Company PQR can't accept loan from Company XYZ.

II. Loan from HUF:

The exemption under sub-clause [5](viii) of clause (b) of Rule 2 of the Companies (Acceptance of Deposits by Companies) Rules, 2014 would apply only to deposits received from directors or relative of director. The exemption will not apply to HUF in which all the members of HUF are Directors of the Company or Member of the Company.

Whether HUF can be treating as Relative of Director?

NO, It can't be treated as relative of the Director. Because as per Companies Act Clause 2(77) "Relative with reference to any person, means they are member of HUF".

In the case of a joint Hindu family, as it is not a person it cannot be a subscriber, though the Karta or manager may be one. A HUF can be member through its Karta or Manager.

Therefore, HUF can't be a member directly; it can't give loan to Company. If Company accept loan from HUF it will be treated as a deposit.

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[4] ****But after publication of Exemption Notification on Private Limited Companies (Dated 05.06.2015):**

The above restriction will now no longer be applicable to the Private Companies which satisfies **All The 3 Conditions** mentioned below:

a) In whose share capital no other body corporate has invested any money;
b) If the borrowings of such a company from banks or financial institutions or any body corporate is less than [lower of (i) Two times of paid up share capital or (ii) Rs. 50 Crore]; and

[5] any amount received from a person who, at the time of the receipt of the amount, was a director of the company or a relative of the director of the private company

Whether Company can accept loan from HUF If, Karta is shareholder/Director of the Company:

No, Company can't accept loan from a HUF even if its Karta is member /director of the Company. Because Company can accept loan only from person except Director/Member or Relative of the Director.

III. Loan from Partnership Firm:

The exemption under sub-clause [6](viii) of clause (b) of Rule 2 of the Companies (Acceptance of Deposits by Companies) Rules, 2014 would apply only to deposits received from directors or relative of director. The exemption will not apply to Partnership Firm in which all the Partners are Directors of the Company or Member of the Company.

Whether Partnership firm can be member?

Department's Clarification.-"A firm, not being a person cannot be registered as a member of a company except where the company is licenced under section 25 of the Companies Act, 1956". [Circular No, 4n2, dated 9-3-1972]

'Person' includes a company and on behalf of company as well as of any other person, an agent duly authorised may sign. But a 'firm' as such cannot sign, as a firm is not 'person'. If the partners of a 'firm' subscribe, they become joint holders of the share or shares subscribed for. The Registrar will not accept the signature of the firm as a subscriber but only if the partners individually sign as joint subscribers. See Re, Land Credit Co. of Ireland, Weikersheim's case, (1873) 8 Ch Appeal 83 1; Re, Glory Paper Mills Co., Dunster's case, (1894) 3 Ch 473. Nor is a firm entitled to be registered as member in the name of the firm but only in the names of the individual partners. Re, Vagliano & Anthracite CDIlieries Ltd., (1910) 79 LJ Ch 769.

Partnership is merely an association of persons for carrying on the business of partners and 'firm', is a compendious method of describing the partners. A firm, however, is not a person. *Bacha F. Guzdar (Mrs.) v. CIT,* (1955) 25 Com Cases 1 : AIR 1955 SC 74. A pooling contract is not a partnership or an association, *Madan Gopal v. Shewal Das,* (1934) 4 Com Cases 339 (Lah), nor a chit fund, TP. *Naidu v. A.S. Mudaliar,* AIR 1919 Low Burma 102

Whether Company can accept loan from partnership Firm if, one or more partners are shareholder/Director of the Company:

No, Company can't accept loan from a Partnership firm even if its partners are member /director of the Company. Because Company can accept loan only from person except Director/Member or Relative of the Director.

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[6] any amount received from a person who, at the time of the receipt of the amount, was a director of the company or a relative of the director of the private company

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IV. Loan from Non Relatives:

Company can't accept loan from relatives of the director as per Companies Act, 2013 ***But*** as per 'The Companies (Acceptance of Deposit) second amendment Rules, 2015' dated 15th September, 2015 G.S.R. 695(E) Private Limited Company can accept loan from the relative of the Director if relative furnish to the company at the time of giving the money, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.

LIST OF PERSONS TO WHOM COMPANY CAN ACCEPT OR CAN'T ACCEPT THE LOAN

	Loans from	Conditions, if any:
1.)	Shareholder:	Member: Yes, can accept, but subject to the condition specified in deposit Rules
2.)	Director / Relatives of Director	Yes, can accept, but the director/relative will give a Declaration in writing that money is not given out of borrowed funds and company will disclose it in the Board's report.
3.)	Employee	Yes, can accept up to the employee's annual salary (there should be a contract of employment with the company) in the nature of non-interest bearing security deposit.
4.)	Any other Individual	Can't accept because it is prohibited by the definition of Private Company.
5.)	Proprietorship Firm ;	Can't accept because it can't be director, Member or relative of Director.
6.)	HUF	Can't accept because it can't be director, Member or relative of Director.
7.)	Partnership Firm	Can't accept because it can't be director, Member or relative of Director.
8.)	Any Company	Yes, can accept, but also comply with Sec 179(3) wherein the conditions are specified for the lender
9.)	Banks	Yes, can accept
10.)	Trust	Yes, can accept, but loan received should be non- interest bearing.
11.)	Outside India	Yes, can accept, but subject to the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations made there under.
12.)	Govt. organization (eg. SIDBI)	Yes, can accept
13.)	Any other Financial Institution which are not incorporated as Banks (eg. Religare, Fullerton, Barclays, Bajaj Finance). **Yes, can accept**	

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TERMS USE IN THE ARTICLE

Meaning of- 'Relative'

The term 'Relative' defined under Section 2(77) read with Rule 4 of Companies (Specification of definitions details) Rules, 2014 of the Companies Act, 2013

- Members of HUF
- Husband and wife
- Father, Mother,
- Son, Son's wife
- Daughter
- Daughter's Husband
- Brother
- Sister

Meaning of-'Person'

Meaning of word Person is not defined under Companies Act, 1956 & Companies Act, 2013.

General Clauses Act, 1899: The word 'person' is not defined in this Act but in the General Clauses Act, 1899 [s. 3 (39)] as including a company or other association or body of individuals. Notwithstanding this, it has been held that the expression 'persons' in this section means only individuals and not bodies of individuals, Senaji Kapurchand v. Pannaji Devichand, AIR 1930 PC 300 affirming ILR 50 Mad 175. See also Akola Gin Combination v. North Cote Ginning Factory, AIR 1914 Nag 26, This confusion has been cleared by the decision of Madras High Court in Sri Murugan Oil Industries (P.) Ltd. v. A. V Suryanarayan Chettiar, (1963) 33 Com Cases 833 : AIR 1963 Mad 128 where it was held that in case a company enters into a partnership, the company shall be taken as one person. There is no reason why incorporated bodies which are legal persons and each of which consists of more than twenty members cannot form themselves into partnerships for carrying on joint business, provided that they are authorised by their memorandum of association. Nor can there be any legal objection for companies and individuals forming partnership firms for purposes of trade. For the purposes of the next section (s. 12), the word 'person' has been held as including companies and corporations (Cf. HALSBURY'sSLAWS OF ENGLAND, 51 (Vol. 7, Para 75, 4th Edo.)

Income Tax Act: As per clause 2(31) of Income Tax Act, 1961 Person Include (i) an individual,(ii) a Hindu undivided family,(iii) a company,(iv) a firm,(v) an association of persons or a body of individuals, whether incorporated or not (vi) a local authority, and(vii) every artificial juridical person, not falling within any of the preceding sub-clauses. In other word the term person include the term 'person' includes Individual, Hindu Undivided Families [HUFs], Association of Persons [AOPs], Body of individuals [BOIs], Firms, LLPs, Companies, Local authority and any artificial juridical person not covered under any of the above.

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Distinction between Loan and Deposits:

For the Purpose of provisions of public deposits, all borrowings are 'deposits' unless excluded

- In V srinivas v. Saraswathi Finance Corporation (2002), It was observed, 'While a loan may include deposit, every loan is not a deposit.
- In Sharda Talkies Firm V. Smt Madhulata Vyas AIR 1996, it was held that there is subtle distinction between a deposit and a loan. In case of loan, the amount is given by creditor to debtor at the request of and for requirements and dues of the debtor under certain terms and conditions, In case of a deposit; the depositee receives money at the instance of depositor. In case of loan, the debtor has to request the creditor to advance certain amount for meeting his requirements.

I.	**Borrowings which are excluded from the definition of Deposits?**
	i. Amount from government and guaranteed by government. ii. Amount received from foreign government or foreign Bank. iii. Loan from Banks and Financial Institutions. iv. Amount received against commercial paper. v. Inter corporate borrowing. vi. Subscription to securities and call in advance. vii. Amount from Directors. viii. Secured Bonds/debentures. ix. Convertible bonds/debentures. x. Non-interest bearing security deposit from employee. xi. Amount in trust. xii. Advance and security deposit received by company. xiii. Unsecured loans from promoters. xiv. Amount accepted by Nidhi Company.
II.	**If deposit in the joint name of director and other person then how it will be treated?** -
	A deposit in joint names of director and another person, who may or may not be director, should be permissible, if name of director is first depositor, though there is no specific provision.

III.	If a person ceases or resign from the post of director after giving loan then such loan will be considered as deposits or not?
	Requirement of director will be check at the time of receipt of amount. Thus, later he may cease to be a director.
IV.	**If a person is director and shareholder of the Company and giving loan to Company whether it will be considered as loan from Director or Member**
	As per my understanding this should be treat as loan from the Director instead of the Shareholder of the Company.
V.	**Question: Whether LLP can give Loan to Company under this exemption:**
	Solution: NO, LLP can't give loan to Private Limited Company under this Clause. Because this clause covers only Company not Body Corporate.

With Warm Regards,

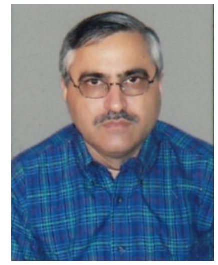
CS Divesh Goyal
Practicing Company Secretary
Email: csdiveshgoyal@gmail.com

========================= FOREX HEDGING GUIDE=========================

Hello Dear Friends,

Greetings of the Day..!

It is my pleasure to share with you all, my weekly USD/INR hedging guide aimed at providing guidance to Importers and Exporters to hedge their forex exposure.



CMA D.S. Kapoor

Last week, we were of the view that medium term trend has turned Dollar negative. It was also indicated that there may be bottom in place either around 66.37 or after going to around 65.99 and after which, currency may retrace up towards 66.68 / 67.05 / 67.39.

During last week, Open / High / Low / Close have been **66.3734** / **66.9455** / **66.3734** / **66.8192** (earlier week's closing **66.3737**). After opening at 66.3734 on 21st, the currency kept on moving higher throughout the week and after going up to 66.9455 (lower top than last week's top), it finally closed at 66.8192, being higher than earlier week's close. Thus, as expected, bottom took place at 66.37 and currency retraced up and moved near to our 2nd target.

Now, the present status: The moving averages position is presently as under**:**

21DMA	67.15	3 WMA	66.70	3 MMA	67.62	3 QMA	66.17
30DMA	67.54	5 WMA	67.15	5 MMA	67.10	5 QMA	64.87
50DMA	67.67	21WMA	67.02	21MMA	63.96	21QMA	57.76
200DMA	65.99	30WMA	66.58	30MMA	63.10	30QMA	54.48

- Currency is running below most of the short & medium term above-mentioned moving averages (including 50DMA), however is still above the other long term moving averages (including 200DMA). It is also running below 10WMA (67.56) / 65DMA (67.45) / 120DMA (66.76), however is still above 50WMA (65.52). 21DMA is running below 30DMA since last 3 weeks (after 7 weeks of uptrend). 3WMA is running below 5WMA since last **3** weeks (after 8 weeks of uptrend). 3MMA is running above 5MMA. Currency is running below 8WMA (67.52) / 10WMA (67.56) / 13WMA (67.41); and these averages have gone in negative phase. **The above all is indicating consolidation in short to medium term.**
- 21WMA is running above 30WMA; difference between the two has started going up (after 8 weeks of downtrend) and presently is at 0.44 (last week 0.40), this indicates possibility of Rupee depreciation in medium term; till 21WMA runs above 30WMA, Dollar may be expected to remain bullish or bounce back from lower levels.
- Current difference between 50DMA and 200DMA has gone down to 1.68 (last week 1.80; end Jan'15 1.47). **This point towards rupee appreciation in medium to long term.**
- The currency has been taking support at 8QMA (presently at 63.67) continuously since start 2012. Besides, 8QMA is running above 10QMA (63.12) / 13QMA (62.12). **Long term trend reversal would only be there, once currency decisively moves below 8QMA.** Further, in case 8QMA goes below 10QMA, it would also be an indication of long term Rupee appreciation.
- **MACD** – the status is as under:

  Daily Chart – running below zero line, and is below its average (**trying to move above average**);

  Weekly Chart – is running above zero line, but is below its average;

  Monthly Chart – is above zero line and is above its average (was running below its average since March'14 to 14th Aug'15);

  Quarterly Chart – running above zero line and above its average as well.

  Signal indicates consolidation in currency in short term with Rupee depreciating bias.
- **Crossover Signal –** the status is as under:

Daily Chart – running negative since 29th Feb'16, but is above zero line;

Weekly Chart – running negative since 11th Mar'16, but is above zero line;

Monthly Chart - has been running positive since Aug'11.

Signal indicates Rupee appreciating bias in short / medium term.

- **RSI –** the status is as under:

  Daily Chart - moved up to 42.55 (last week 33.66), and is above its average;

  Weekly Chart - moved up to 51.64 (last week 48.03), but is below its average;

  Monthly Chart – moved up to 64.16 (last week 62.03), but is below its average;

  Quarterly Chart - moved up to 73.65 (last week 73.11), and is above its average.

  Signal indicates consolidation in currency in short to medium term.

- **Stochastic Oscillator - It is running downward in quarterly chart indicating trend reversal i.e. bullish Rupee / weaker Dollar in medium to long term. In monthly chart, too, similar signals are emerging.**

- **Dollar Index –** It remained within 96.3850 – 95.0200 range and finally closed at 96.1730 (last week 95.1200)(movements had been on expected lines). The status is as under:

  Monthly crossover signal remains in up mode (above zero line since Feb'15); Daily Crossover signal running negative since 7th March'16, and is below zero line;

  Weekly Crossover signal running negative since week ending 5th Feb'16, but is above zero line;

  Daily RSI has moved up to 45.79 (last week 33.85), and is above its average;

  Weekly RSI has moved up to 45.99 (last week 41.43), but is below its average;

  Monthly RSI has moved up to 58.58 (last week 56.02), but is below its average;

  Daily MACD is running below zero line, and is below its average (**trying to move above average)**;

  Weekly MACD is running below zero line, and is below its average;

  3WMA (95.82) is running below 5WMA (96.59) since last 2 weeks (after 2 weeks of uptrend).

  We are of the view that Index is likely to consolidate between a bigger range of 97.25 – 94.60 with negative bias.

- The major resistances are likely to come around 67.15 / 67.45 / 67.70 / 68.10.

- The major supports are likely to come around 66.70 / 66.00 / 65.45.

Going forward, the following summarized facts may be observed:

a. Dollar Index is running long term negative, however is expected to consolidate for some more time in medium term, before next round of downtrend starts;

b. The currency has closed above 120DMA (66.76) once again;

c. 50DMA (67.67) is running above 200DMA (65.99), however the difference between the two is decreasing;

d. 3WMA (66.70) is running below 5WMA (67.15) since last 3 weeks (after 8 weeks of uptrend);

e. 21WMA (67.02) is running above 30WMA (66.58), and the difference between the two has started moving up since last 3 weeks (after 8 weeks of downtrend);

In view of the above, we are of the view that, getting supported around 120DMA (66.76) and also increasing difference between 21WMA & 30WMA, there are possibilities of currency consolidating around 120DMA i.e. within 66.50 – 67.00. This consolidation may run for about 5-7 days more, after which there is likelihood of completion of current intermediate trend. One has to closely watch 21DMA (67.15) and once that is decisively breached, fresh intermediate trend `may start, wherein we may witness Rupee depreciation with the likely resistances around 67.45 (65DMA) / 67.67 (50DMA) / 68.10.

Importers should hedge short & medium term payables (up to May only) around current levels i.e. within 66.50 – 66.75. Long term payables beyond May should be left or be partly covered with the help of call options. Total hedging may be maintained around 50%.

Exporters should wait and start hedging medium term receivables on rates moving above 66.75 in 3-4 instalments of 30-35 paisa each. Hedged position may be maintained at 70 – 80%.

Major Resistances : 67.15 / 67.45 / 67.70 / 68.10

Major Supports : 66.70 / 66.00 / 65.45

Note: All the above rates are from Meta Stock

DISCLAIMER: The opinion expressed in this column is based on technical analysis. There is risk of loss in trading, as markets get affected by multiple factors, which cannot be fully accounted for in preparation of the above opinion. The contents are for academic circulation only. Those following the above do so at their own risk. Any recommendation does not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any currency / cross. One should fully understand risks in trading of currency / cross before trading.

Regards,

D. S. Kapoor
Cost Accountant
E-Mail: dhyankapoor@gmail.com
Mobile: 9628411116

Ministry of Corporate Affairs
Government of India

सत्यमेव जयते

CIRCULARS/ NOTIFICATIONS ISSUED DURING THE PERIOD

Ref No.	Date	Description
S.O.(E)	23.03.2016	Notification for CRC phase-2 Incorporation

IMPORTANT NOTICES

The new MCA21 portal went live on 27th March 2016 for Company services. This change is in the larger interest of stakeholders. However, due to this change, few stakeholders may experience some inconvenience intermittently for next few days. It is advised to contact Helpdesk at 0124-4832500, or raise a service complaint for prompt resolution. We will continue to strive for providing quality services.

The Company e-Forms have been revised on MCA portal effective 27th March 2016. You are advised to download the latest version of forms from 'Company Forms Download' page on the MCA portal. The previous version of Company e-forms will not be compatible with the new MCA21 portal.

================================ UPDATES ================================

Ministry of Corporate Affairs
Government of India

ESTABLISHMENT OF CENTRAL REGISTRATION CENTRE (CRC) AT INDIAN INSTITUTE OF CORPORATE AFFAIRS (IICA), PLOT NO. 6,7, 8, SECTOR 5, IMT MANESAR, GURGAON (HARYANA), PIN CODE-122050

With a view to centralize the registration process the Central Registration Centre has been established under the provision of Sub Section (1) and (2) of Section 396 of the Companies Act, 2013 vide notification dated 22.01.2016 for discharging or carrying out the function of processing and disposal of applications for reservation of names under the provisions of the said Act. The CRC shall function under the administrative control of Registrar of Companies, Delhi (ROC Delhi), who shall act as the Registrar of the CRC until a separate Registrar is appointed to the CRC. The CRC shall process applications for reservation of name i.e., e-Form No. INC-1 filed along with the prescribed fee as provided in the Companies (Registration of Offices and Fees) Rules, 2014.

W.e.f. 28.03.2016 the CRC shall also exercise functional jurisdiction of processing and disposal of e forms and all related matters pertaining to Registration of Companies under Section 7, 8 and 366 of the Companies Act, 2013. Therefore, the CRC shall process all the forms pertaining to Registration of Companies viz forms INC 2, INC 7, INC 29 along with linked forms DIR 12 and INC 22 and URC 1 and any other form as may be notified by the Central Government.

The jurisdiction, processing and approval of the name or names as proposed in form INC 29 hereto exercised by the Registrar of Companies having jurisdiction over incorporation of companies shall forthwith be exercised by the Registrar, CRC.

The jurisdiction Registrar of Companies, other than Registrar CRC, within whose jurisdiction the registered office of the company is situated shall continue to have jurisdiction over the companies incorporated by the Registrar, CRC for all other provisions of the Act which may be relevant after Incorporation.

================================ UPDATES ================================

REVISION OF E FORMS

The Company e-Forms have been revised on MCA portal effective 27th March 2016. You are advised to download the latest version of forms from 'Company Forms Download' page on the MCA portal. The previous version of Company e-forms will not be compatible with the new MCA21 portal. The existing Company Forms have been revised.

1. The following eForm will not be available in the new MCA21 portal temporarily. CRA-4 and Refund forms are expected to be made available by 11th April 2016 and 25th April, respectively.

The timelines for 23 C, 23 D, I-XBRL and A-XBRL will be confirmed subsequently.

a. CRA 4 - Form for filing Cost Audit Report with the Central Government.

b. 23 C - Form of application to the Central Government for appointment of cost auditor.

c. 23 D - Information by cost auditor to Central Government

d. I-XBRL - Form for filing XBRL document in respect of cost audit report and other documents with the Central Government

e. A-XBRL - Form for filing XBRL document in respect of compliance report and other documents with the Central Government

f. Refund - Application for requesting refund of fees paid.

2. The following new e-forms **will come into effect immediately:**

a. CHG-8 (previously attachment)

b. INC-12 (previously attachment)

c. Investor Complaint eform

d. Serious Complaint eform

3. The following new e-forms **will come into effect from the date of notification (to be notified later):**

a. IEPF-1 - Statement of amounts credited to Investor Education and Protection Fund

b. IEPF-2 - Statement of unclaimed or unpaid amounts

c. IEPF-3 - Statement of shares and unclaimed or unpaid dividend not transferred to the Investor Education and Protection Fund

d. IEPF-4 - Statement of shares transferred to the Investor Education and Protection Fund

e. IEPF-5 - Application to the Authority for an order for payment of dividend etc. out of the Fund

f. IEPF-6 - Statement of shares and unclaimed or unpaid amounts to be transferred to the Investor Education and Protection Fund

4. The following eForms should be filed as attachments with GNL-2 **from the date of notification (to be notified later):**

a. 23 AC - Form for filing balance sheet and other documents with the Registrar

b. 23 AC- XBRL - Form for filing XBRL document in respect of balance sheet and other documents with the Registrar

c. 23 ACA - Form for filing Profit and Loss account and other documents with the Register

d. 23 ACA-XBRL - Form for filing XBRL document in respect of Profit and Loss account and other documents with the Registrar

e. 20B - Form for filing annual return by a company having a share capital with the Registrar

f. Form 66 (Until FY 2014) - Form for submission of compliance certificate with the Registrar

g. 21 A - Particulars of annual return for the company not having share capital

h. 23 B - Information to the Registrar by company for appointment of auditor

5. Kindly note a new Service 'Upload Details of Security Holders/Debenture Holders/Depositors' has been introduced for uploading relevant details of Security Holders/Debenture Holders/Depositors for forms MGT-7, PAS-3 and DPT-4 in excel instead of submitting CD to concerned RoC office. These forms will not be approved if details are not uploaded using this service.

6. The following eforms are withdrawn :

a. 1INV - Statement of amounts credited to investor education and protection fund.

b. 5INV - Statement of unclaimed and unpaid amounts.

c. Investor Complaint Form – a new version has been released.

========================== COMPLIANCE OF LODR ===========================

Compliance of SEBI (LODR) Regulations for the quarter and financial year ended March, 2016:

Sr. No.	Compliances	Time Period
1	Statement of Investor complaint This report shall also be placed before the board of directors on quarterly basis.	Within 21 days of the end of quarter
2	Compliance report on corporate governance	Within 21 days of the end of quarter
3	Shareholding Pattern for each class of securities and Statement of holding of securities	Within 21 days of the end of quarter
4	Compliance certificate to the stock exchange duly signed by compliance officer of the listed company and authorized representative of the share transfer agent	Within one month of the end of each half financial year
5	Certificate to the stock exchange from the Practicing Company Secretary certifying that all share certificates have been issued within 30 days from the date of its lodgment for transfer, sub divisions, consolidation, renewal, endorsement or exchange	Within one month of the end of each half financial year
6	Notice of Board Meeting to the Stock Exchange to consider the Annual Audited Financial Results	At least 5 clear days before the Meeting excluding the date of meeting and notice
7	Press release for Board Meeting (Eng.+Hindi)	Simultaneously i.e. as above

8	Board Meeting to consider the Audited Financial Results for the financial year	Within 60 days form the end of Financial Year. Audited Financial results of last quarter along with the result of entire financial year along with a note that the figures of last quarter are the balancing figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year. As a part of the financial results for every half year a statement of assets and liabilities shall be given by way of note.
9	Disclosure of Qtr. Result to SE along with Audit Report	Within 30 minutes of Board Meeting
10	Publication of Qtr. Result (Eng.+Hindi)	Within 48 hours of Board Meeting
11	Every member of board of directors and senior management shall affirm compliance with the code of conduct.	Within 30 days from the end of financial year
12	CEO/ CFO compliance certificate	To the Board of Director at the time of approval of Annual Results.
13	Audit Report	Within 60 days Along with the results and Form A/B

============================ NEWS FROM ICSI============================

THE INSTITUTE OF Company Secretaries of India

NORTHERN INDIA REGIONAL COUNCIL

CREDIT HOURS: 06 PDP HOURS: 08

U.P. STATE CONFERENCE OF COMPANY SECRETARIES

(HOST KANPUR CHAPTER)

(Saturday, 23rd April, 2016)

(Timing: 9:00 AM TO 6:00 PM)

Venue: Hotel Royal Cliff, Swaroop Nagar, Kanpur

Delegate Fee (Inclusive of Service Tax):

For Members / Others: ₹ 1,000/-;

Corporate Members of NIRC & Chapters: Free

For Students: ₹ 800/-

Registration:

In order to make necessary arrangements, Members are requested to enroll well in advance with Regional Director, NIRC-ICSI, 4, Prasad Nagar, Institutional Area, New Delhi or Kanpur Chapter of NIRC of ICSI, 118/90, Gumti Plaza, 2nd Floor, Kaushal Puri, Gumti No. 5, Kanpur. The cheque for delegate fees may please be drawn in favour of NIRC of ICSI payable at New Delhi or Kanpur Chapter of NIRC of ICSI payable at Kanpur.

Tel: +91-11-49343000, Fax: 25722662, Email: niro@icsi.edu

Phone: +91-512-2296535/2212767, Email: kanpur@icsi.edu

With Best Regards:

CS MANISH GUPTA Chairman, NIRC of ICSI Mobile: 09212221110 E-mail: manish@rmgcs.com	**CS NITESH KUMAR SINHA** (Program Director) Chairman, Prof. Dev. & Programs Coordination Committee, NIRC-ICSI Mobile: 9871500827 Email: info@csnitesh.com	**CS VAIBHAV SHUKLA** (Program Coordinator) Chairman, Kanpur Chapter of NIRC- ICSI Mobile: 8081024410 Email: vaibhav236@gmail.com

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