Dear Shri M. J. Joseph,

Thank you very much for your letter D.O. No. MCA-21/172-A/2012/WC dated 3\textsuperscript{rd} April, 2014 listing out eight instances where certain e-forms have been certified by members of the Institute without due diligence. Of these eight, four have been referred to the Institute earlier and four are yet to be referred.

2 You have referred to and intend to refer, in all, eight instances of lack of due diligence in pre-certification. This is too insignificant a portion of the entire universe either of the number of e-filings or number of members of the CS profession. Nevertheless, we as a responsible professional Institute acting as extended arms of the Government are committed to zero tolerance on this front. In almost all programmes of the Institute, we sensitize our members about their responsibilities and also the liability in case of their failure to discharge the responsibilities in letter and spirit. We have strengthened our disciplinary mechanism to deter any lack of due diligence on the part of any member. We would organise focussed programmes on pre-certification of e-forms for the benefit of members. We would be happy if Ministry representatives also share their concerns in such programmes. I request you to kindly give us a list of Ministry officers and the dates and places where they can participate in such programmes to enable us to organise such programmes at those locations at their convenience. It would be also useful if the Institute and Regional/local offices of MCA have Committees at various locations to sensitize and build capacity of members in area of pre-certification.

3. Let me now share the status of the four instances referred to us. One instance (in respect of [redacted]) has been disposed by the Disciplinary Committee vide its order dated January 17, 2013 by following due process of law. Three instances (in respect of [redacted] and [redacted]) referred to us on June 17, 2013 are under investigation. You would appreciate that disciplinary actions are quasi-judicial proceedings and need to follow the due process of law before taking decision in the matter. In the process, these take reasonable amount of time. In comparison to quasi-judicial proceedings at other regulatory bodies, ICSI disciplinary mechanism takes the least time for disposal. Nevertheless, we are working to improve the quality as well as the quantity of disposal of disciplinary actions.

4. You have also stated that four instances would be referred to us. We will appreciate if these are referred to us expeditiously so that timely action can be taken. I assure you of the prompt action on the instances that would be referred to us by you.
5. In the meeting of the Council of the Institute with you on April 3, 2014, it was stated that the proposal to discontinue pre-certification is mostly on account of deficiencies in the pre-certification by some members. The number of instances of deficiencies, as brought out by you now, does not warrant discontinuation of pre-certification. Besides, the remedy lies in improving the quality of pre-certification rather than discontinuing particularly when this has been extremely useful.

With regards,

Yours’ sincerely,

(R. Sridharan)

Shri M. J. Joseph  
Additional Secretary to Government of India  
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CC: a) Shri Naved Masood, IAS, Secretary, Ministry of Corporate Affairs  
b) Ms. Renuka Kumar, IAS, Joint Secretary, Ministry of Corporate Affairs