VISION 2020

EXPOSURE DRAFT

THE INSTITUTE OF COMPANY SECRETARIES OF INDIA
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
FOREWORD

The emerging paradigm is certainly demanding and would be more demanding with the passage of time. It will require us to look beyond traditional and conventional opportunities to focus on a larger canvas in a wider perspective. Value addition and stakeholders' wealth maximization will be the key 'mantras' to sustain the growth momentum in the market place. Multi-tasking and versatile knowledge would be the required skill sets to reach the pinnacle. Therefore a new orientation in our thinking, perception and actioning is a call we have to take today to place our profession on the highest pedestal.

Our vision is what we want to be! In the context of a professional body like the ICSI and its members, the vision is to be articulated capturing the expectations of its various stakeholders. It has to consider the Environment both internal and external in which the members operate; it has to identify its Strengths to further improve upon them; Weaknesses to convert them into strengths; Opportunities and the attendant challenges which would be in the offing in future and above all it has to look beyond obvious.

In this direction, the Council of the Institute has taken a conscious effort by constituting a Core Group to formulate ICSI Vision 2020. The team ICSI under the guidance of the Core Group, conducted market survey amongst its various stakeholders, dedicated seminar and meetings were held with members and students to know their expectations, perception about the profession and vision for the profession of Company Secretaries. The process also involved extensive research, collection of multiple data, interpretation of data, various reports and documents. The feedback received from the various segments of stakeholders was thoroughly analysed.

The Core Group, in addition to the findings of the survey, scanned the present economic, business and regulatory environment, conducted resource audit in formulating Exposure Draft on ICSI Vision 2020.

The Council of the Institute in its recent meeting considered the Exposure Draft and decided to follow the consultative process for seeking views/suggestions from various segments of its stakeholders.

I take this opportunity to place on record my sincere thanks to Shri Ravi Kastia, Global Head, Mining and International Trade, Aditya Birla Group, Chairman of the Core Group and all its members S/Shri A K Khandelwal (Dr.), Former Chairman & Managing Director, Bank of Baroda; Arun Nanda, Executive Director, Mahindra & Mahindra; C Parthasarathy, Managing Director, Karvy Computershare Pvt. Ltd.; Susir Kumar, Chief Executive Officer, Intelent Global Services; Vijaya Sampath (Ms.), Group General Counsel & Company Secretary, Bharti Group of Companies; K S Ravichandaran (Dr.), Company Secretary; S N Ananthasubramanian, Council Member - The ICSI, Proprietor, S N Ananthasubramanian & Co., Company Secretaries;
Pradeep K Mittal, Council Member – The ICSI, Partner and Chief Advisor, PKMG Law Chambers; R Sridharan, Council Member – The ICSI, Proprietor, R Sridharan & Associates, Company Secretaries; and V N Rajasekharan Pillai, (Prof.) Vice-Chancellor, IGNOU for their valuable contribution in articulating the ICSI Vision 2020. The Core Group had the benefit of the large reservoir of knowledge and expertise of Dr. M B Athreya, Management Consultant, as its Honorary Advisor. I wish to express my sincere gratitude to Dr. Athreya for sparing his valuable time in guiding the whole process.

The team ICSI deserves appreciation for its efforts in conducting nationwide survey of various stakeholders. I place on record my appreciation to Shri V K Aggarwal, Former Principal Advisor, Shri Sutanu Sinha and Dr. S K Dixit, Director(s), Shri Mahendra Kapoor Gupta, Joint Director and Ms. Nishita Singhal, Assistant Education Officer, for their dedication and commitment in meticulously analyzing the responses from stakeholders, scanning various reports and documents and providing valuable inputs to Core Group under the dynamic leadership of Shri N K Jain, Secretary & Chief Executive Officer of the Institute.

It gives me immense pleasure to present this Exposure Draft on ICSI Vision 2020 and request you to spare your valuable time to peruse this Exposure Draft, brainstorm, and provide your valuable suggestions, to enable the Council to ensure that the ICSI Vision 2020 truly reflects the vision of its stakeholders.

Anil Murarka  
President  
The Institute of Company Secretaries of India
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Contents</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Executive Summary</strong></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Stakeholders’ Expectations</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Trade and Industry</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Regulators</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Members in Employment</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Members in Practice</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Society</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Employees</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Environment</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Mission and Vision</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Strengths-Weaknesses-Opportunities-Threats</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Objectives, Strategies and Action Plan</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Members in Employment</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Members in Practice</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Profession</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Students</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Thrust Areas for the Next Decade</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Top 10 goals</td>
<td>10</td>
</tr>
<tr>
<td>1</td>
<td><strong>Introduction</strong></td>
<td>11</td>
</tr>
<tr>
<td>1.1</td>
<td>Constitution of Core Group on ICSI Vision 2020</td>
<td>11</td>
</tr>
<tr>
<td>1.2</td>
<td>Terms of Reference</td>
<td>12</td>
</tr>
<tr>
<td>1.3</td>
<td>Conceptual Framework</td>
<td>13</td>
</tr>
<tr>
<td>1.4</td>
<td>Actualisation of Conceptual framework</td>
<td>15</td>
</tr>
<tr>
<td>1.5</td>
<td>Methodology</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td><strong>Stakeholders’ Expectations</strong></td>
<td>19</td>
</tr>
<tr>
<td>2.1</td>
<td>Survey Analysis</td>
<td>19</td>
</tr>
<tr>
<td>S.No.</td>
<td>Contents</td>
<td>Page No.</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>2.2</td>
<td>Findings of Stakeholders’ Survey Analysis</td>
<td>20</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Trade and Industry</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>(a) Personality and Personal traits</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>(b) New areas</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>(c) Technical competencies</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>(d) The Profession</td>
<td>22</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Regulators</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>(a) Knowledge and Expertise</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>(b) New Areas</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>(c) Ethics</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>(d) The Profession</td>
<td>23</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Society</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>(a) Career Opportunities</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>(b) Good Corporate Governance</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>(c) Inclusive Growth and Corporate Social Responsibility</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>(d) Investor Education and Protection</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>(e) Management leaders</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>(f) Social Service</td>
<td>25</td>
</tr>
<tr>
<td>2.2.4</td>
<td>Students</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>(a) Career expectations</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>(b) Services by the Institute</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>(c) Syllabus</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>(d) Study material</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>(e) Coaching</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>(f) E-learning</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>(g) Training</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>(h) Examination</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>(i) Residential programme on soft skills and personality development</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>(j) Collaborative Arrangements</td>
<td>28</td>
</tr>
<tr>
<td>2.2.5</td>
<td>Members in Employment</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>(a) CS as a Corporate Governance Professional</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>(b) Enhancing employment opportunities</td>
<td>29</td>
</tr>
<tr>
<td>S.No.</td>
<td>Contents</td>
<td>Page No.</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>(c)</td>
<td>Positioning of the profession</td>
<td>29</td>
</tr>
<tr>
<td>(d)</td>
<td>Visibility and brand building of Profession</td>
<td>29</td>
</tr>
<tr>
<td>(e)</td>
<td>Improving the quality of services:</td>
<td>29</td>
</tr>
<tr>
<td>(f)</td>
<td>Specialized courses at PMQ level</td>
<td>30</td>
</tr>
<tr>
<td>(g)</td>
<td>Quality of new members</td>
<td>30</td>
</tr>
<tr>
<td>(h)</td>
<td>Global perspective</td>
<td>30</td>
</tr>
<tr>
<td>(i)</td>
<td>Competitive edge over other Professions</td>
<td>31</td>
</tr>
</tbody>
</table>

2.2.6 Members in Practice
(a) Strengthening the practice side 31
(b) Positioning of the profession 31
(c) Improving the quality of services: 31
(d) Visibility and brand building of Profession 32
(e) Specialized courses at PMQ level 32
(f) Quality of new members 33
(g) Global perspective 33
(h) Competitive edge over other Professions 33

2.2.7 Employees 33

2.3 Major thrust areas for the next decade 34

2.4 Chapter Summary 35

3 Mission, Vision and Core Values 37

3.1 Introduction 37

3.2 Mission 41

3.3 Vision 42

3.4 Core Values 44

4 Environmental Scan 47

4.1 Domestic Environment 47

4.1.1 Economic and Business Environment 47
(a) GDP Growth 47
(b) Per capita Growth 48
(c) Corporate Sector 48
(d) Capital Markets 48
(e) MSME 49

4.1.2 Legal & Regulatory 49
(a) Emergence of New Forms of Corporate Entities 49
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Contents</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b)</td>
<td>Governance</td>
<td>50</td>
</tr>
<tr>
<td>(c)</td>
<td>Market Oriented Regulatory Ambience:</td>
<td>50</td>
</tr>
<tr>
<td>(d)</td>
<td>The Companies Bill, 2009</td>
<td>51</td>
</tr>
<tr>
<td>(e)</td>
<td>E-Governance: MCA-21</td>
<td>51</td>
</tr>
<tr>
<td>(f)</td>
<td>International Financial Reporting Standards (IFRS)</td>
<td>52</td>
</tr>
<tr>
<td>(g)</td>
<td>XBRL</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td>4.1.3 Technological environment- Information Technology – More in the store</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td>4.1.4 Other Aspects</td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>Corporate Governance and Corporate Social Responsibility</td>
<td>53</td>
</tr>
<tr>
<td>(b)</td>
<td>Professional Ethics</td>
<td>53</td>
</tr>
<tr>
<td>4.2</td>
<td>Global Environment</td>
<td>54</td>
</tr>
<tr>
<td>4.2.1</td>
<td>Globalisation of Professional Services</td>
<td>55</td>
</tr>
<tr>
<td>4.2.2</td>
<td>FDI and FII</td>
<td>55</td>
</tr>
<tr>
<td>4.2.3</td>
<td>Cross Border Mergers &amp; Acquisitions</td>
<td>56</td>
</tr>
<tr>
<td>4.3</td>
<td>Opportunities</td>
<td>56</td>
</tr>
<tr>
<td>4.3.1</td>
<td>Strong demand drivers</td>
<td>56</td>
</tr>
<tr>
<td>4.3.2</td>
<td>New thrust on Corporate Governance and Corporate Social Responsibility</td>
<td>56</td>
</tr>
<tr>
<td>4.3.3</td>
<td>Entry into new departments</td>
<td>56</td>
</tr>
<tr>
<td>4.3.4</td>
<td>Diversification into new areas / sectors</td>
<td>57</td>
</tr>
<tr>
<td>4.3.5</td>
<td>Potential Opportunities in the next decade</td>
<td>58</td>
</tr>
<tr>
<td>4.3.6</td>
<td>Institute as a Centre for learning in select disciplines</td>
<td>58</td>
</tr>
<tr>
<td>4.3.7</td>
<td>Emergence of LLP form of organization</td>
<td>58</td>
</tr>
<tr>
<td>4.3.8</td>
<td>Global professional services</td>
<td>58</td>
</tr>
<tr>
<td>4.3.9</td>
<td>In its area Institute can play a leadership role in Afro-Asian Countries</td>
<td>59</td>
</tr>
<tr>
<td>4.3.10</td>
<td>Institute to serve as a consulting agency</td>
<td>59</td>
</tr>
<tr>
<td>4.3.11</td>
<td>Future inflow of students</td>
<td>59</td>
</tr>
<tr>
<td>4.4</td>
<td>Threats</td>
<td>59</td>
</tr>
<tr>
<td>4.4.1</td>
<td>Corporate mishaps and frauds</td>
<td>59</td>
</tr>
<tr>
<td>4.4.2</td>
<td>Competition from other professions</td>
<td>59</td>
</tr>
<tr>
<td>4.4.3</td>
<td>Technological changes</td>
<td>60</td>
</tr>
<tr>
<td>4.4.4</td>
<td>Reduced dependence on CS professionals</td>
<td>60</td>
</tr>
<tr>
<td>S.No.</td>
<td>Contents</td>
<td>Page No.</td>
</tr>
<tr>
<td>------</td>
<td>---------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>4.4.5</td>
<td>New players in education field</td>
<td>60</td>
</tr>
<tr>
<td>4.4.6</td>
<td>Conventional Approach</td>
<td>60</td>
</tr>
<tr>
<td>4.4.7</td>
<td>Adapting to Deregulation/Simplification</td>
<td>60</td>
</tr>
<tr>
<td>4.4.8</td>
<td>Quality of members and services</td>
<td>60</td>
</tr>
<tr>
<td>4.5</td>
<td>Chapter Summary</td>
<td>61</td>
</tr>
<tr>
<td>5</td>
<td><strong>Resource Audit</strong></td>
<td>63</td>
</tr>
<tr>
<td>5.1</td>
<td>Resources available</td>
<td>63</td>
</tr>
<tr>
<td>5.1.1</td>
<td>Knowledge and Information</td>
<td>63</td>
</tr>
<tr>
<td>5.1.2</td>
<td>Physical Infrastructure</td>
<td>63</td>
</tr>
<tr>
<td></td>
<td>Council</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>Regional Councils</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>Chapters</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>CCGRT</td>
<td>66</td>
</tr>
<tr>
<td>5.1.3</td>
<td>Human Resources</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>Employees</td>
<td>66</td>
</tr>
<tr>
<td>5.1.4</td>
<td>Finances</td>
<td>67</td>
</tr>
<tr>
<td>5.2</td>
<td>Resource adequacy</td>
<td>67</td>
</tr>
<tr>
<td>5.2.1</td>
<td>Growth of the Profession</td>
<td>67</td>
</tr>
<tr>
<td>5.2.2</td>
<td>Human Resources</td>
<td>67</td>
</tr>
<tr>
<td>5.2.3</td>
<td>Physical Infrastructure</td>
<td>67</td>
</tr>
<tr>
<td>5.2.4</td>
<td>Outsourcing</td>
<td>68</td>
</tr>
<tr>
<td>5.3</td>
<td>Strengths</td>
<td>68</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Statutory Recognition</td>
<td>68</td>
</tr>
<tr>
<td>5.3.2</td>
<td>ICSI Global and National Leader in promoting Corporate Governance</td>
<td>68</td>
</tr>
<tr>
<td>5.3.3</td>
<td>Student's Trust and Confidence</td>
<td>71</td>
</tr>
<tr>
<td>5.3.4</td>
<td>Trust and Confidence of the Government and Regulators</td>
<td>71</td>
</tr>
<tr>
<td>5.3.5</td>
<td>Industry confidence, Recognition and Brand Value</td>
<td>71</td>
</tr>
<tr>
<td>5.3.6</td>
<td>Proximity to the top management</td>
<td>71</td>
</tr>
<tr>
<td>5.3.7</td>
<td>Wide Range of Services</td>
<td>72</td>
</tr>
<tr>
<td>5.3.8</td>
<td>Unique and attractive course</td>
<td>72</td>
</tr>
<tr>
<td>5.3.9</td>
<td>Contemporary and Dynamic course contents</td>
<td>72</td>
</tr>
<tr>
<td>5.3.10</td>
<td>Strong training support</td>
<td>72</td>
</tr>
<tr>
<td>5.3.11</td>
<td>Professional Development and Continuing Education Programs</td>
<td>72</td>
</tr>
</tbody>
</table>

(ix)
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Contents</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3.12</td>
<td>Democratic governance</td>
<td>73</td>
</tr>
<tr>
<td>5.3.13</td>
<td>Efficient and effective administration</td>
<td>73</td>
</tr>
<tr>
<td>5.3.14</td>
<td>Credible performance by members</td>
<td>73</td>
</tr>
<tr>
<td>5.3.15</td>
<td>Visible presence in corporate sector</td>
<td>73</td>
</tr>
<tr>
<td>5.3.16</td>
<td>Efficient Disciplinary Mechanism</td>
<td>73</td>
</tr>
<tr>
<td>5.3.17</td>
<td>Examination system</td>
<td>73</td>
</tr>
<tr>
<td>5.3.18</td>
<td>Sound financial position</td>
<td>73</td>
</tr>
<tr>
<td>5.3.19</td>
<td>Chartered Secretary and other publications</td>
<td>74</td>
</tr>
<tr>
<td>5.4</td>
<td>Weaknesses</td>
<td>74</td>
</tr>
<tr>
<td>5.4.1</td>
<td>Composition of students</td>
<td>74</td>
</tr>
<tr>
<td>5.4.2</td>
<td>Awareness</td>
<td>74</td>
</tr>
<tr>
<td>5.4.3</td>
<td>Infrastructure: Heeding pace with growth of students and members</td>
<td>74</td>
</tr>
<tr>
<td>5.4.4</td>
<td>Course Contents</td>
<td>74</td>
</tr>
<tr>
<td>5.4.5</td>
<td>Revamping examination system</td>
<td>75</td>
</tr>
<tr>
<td>5.4.6</td>
<td>Training systems to be robust</td>
<td>75</td>
</tr>
<tr>
<td>5.4.7</td>
<td>Strengthening placement mechanism</td>
<td>75</td>
</tr>
<tr>
<td>5.4.8</td>
<td>Finance &amp; Accounts and Taxation to be strengthened</td>
<td>75</td>
</tr>
<tr>
<td>5.4.9</td>
<td>Continuous Coordination with trade and industry</td>
<td>75</td>
</tr>
<tr>
<td>5.4.10</td>
<td>Global perspective</td>
<td>75</td>
</tr>
<tr>
<td>5.4.11</td>
<td>Strengthening Practice side</td>
<td>76</td>
</tr>
<tr>
<td>5.4.12</td>
<td>Quality -Developing entrepreneurial approach</td>
<td>76</td>
</tr>
<tr>
<td>5.4.13</td>
<td>Self Initiative</td>
<td>76</td>
</tr>
<tr>
<td>5.4.14</td>
<td>Involvement of senior members</td>
<td>76</td>
</tr>
<tr>
<td>5.5</td>
<td>Chapter Summary</td>
<td>76</td>
</tr>
<tr>
<td>6</td>
<td><strong>Objective and Strategies for Students</strong></td>
<td>79</td>
</tr>
<tr>
<td>6.1</td>
<td>Objective</td>
<td>79</td>
</tr>
<tr>
<td>6.2</td>
<td>Educational Strategies</td>
<td>79</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Syllabus</td>
<td>79</td>
</tr>
<tr>
<td>6.2.1.1</td>
<td>Addition of new subjects/topics</td>
<td>80</td>
</tr>
<tr>
<td>6.2.1.2</td>
<td>Practical orientation</td>
<td>80</td>
</tr>
<tr>
<td>6.2.1.3</td>
<td>Updation of syllabus</td>
<td>80</td>
</tr>
<tr>
<td>6.2.2</td>
<td>Teaching methodology</td>
<td>80</td>
</tr>
<tr>
<td>6.2.2.1</td>
<td>Oral Coaching</td>
<td>80</td>
</tr>
<tr>
<td>6.2.2.2</td>
<td>Postal Coaching</td>
<td>81</td>
</tr>
</tbody>
</table>
6.2.2.3 Pre-examination Test 81
6.2.2.4 E-learning 81
6.2.3 Examination 81
6.3 Training Strategies 82
6.3.1 Student Induction Programme (SIP) and Executive Development Programme (EDP) 82
6.3.1.1 Organisation of SIP/EDP 82
6.3.1.2 Features of SIP/EDP 82
6.3.2 Practical Training 83
6.3.2.1 Orientation for training 83
6.3.2.2 Duration & Scope of training 83
6.3.2.3 Monitoring and control 83
6.3.2.4 Training in soft skills 84
6.3.2.5 IT Training 84
6.3 Management Skills Orientation Programme (MSOP) 84
6.4 Long term vision for effective training 84
6.5 Chapter Summary 85

7 Objective and Strategies for Members in Employment 87
7.1 Objective 87
7.2 Placement Strategy 87
7.2.1 Institutional set up 87
7.2.2 Creation of employment opportunities through interaction and coordination with industry and regulators 87
7.3 Strategy for change in orientation 89
7.3.1 Attitude 89
7.3.2 Skills 89
7.3.3 Personality 89
7.4 Strategy for enabling members to reach senior management positions 90
7.5 Chapter Summary 90

8 Objective and Strategies for Members in Practice 91
8.1 Objective 91
8.2 Strategy for growth of practice side 91
8.2.1 Strategy for obtaining more and exclusive recognitions 91
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Contents</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.2.2</td>
<td>Strategy for development of advisory and advocacy skills</td>
<td>91</td>
</tr>
<tr>
<td>8.2.3</td>
<td>Strategy for diversification into new and emerging service areas</td>
<td>91</td>
</tr>
<tr>
<td>8.3</td>
<td>Strategy for capacity building</td>
<td>92</td>
</tr>
<tr>
<td>8.4</td>
<td>Strategy for providing services to SME Sector</td>
<td>92</td>
</tr>
<tr>
<td>8.5</td>
<td>Strategy for entry to practice</td>
<td>92</td>
</tr>
<tr>
<td>8.6</td>
<td>Chapter Summary</td>
<td>94</td>
</tr>
<tr>
<td>9</td>
<td><strong>Objective and Strategies for the Profession</strong></td>
<td>95</td>
</tr>
<tr>
<td>9.1</td>
<td>Mission</td>
<td>95</td>
</tr>
<tr>
<td>9.2</td>
<td>Strategy for Visibility and brand building</td>
<td>95</td>
</tr>
<tr>
<td>9.2.1</td>
<td>Recognitions by the industry and regulators</td>
<td>95</td>
</tr>
<tr>
<td>9.2.2</td>
<td>Publicity</td>
<td>95</td>
</tr>
<tr>
<td>9.3</td>
<td>Strategy for Global perspective</td>
<td>96</td>
</tr>
<tr>
<td>9.4</td>
<td>Strategy for Professional Development and Continuing Education</td>
<td>97</td>
</tr>
<tr>
<td>9.4.1</td>
<td>Programmes for Professional Development</td>
<td>97</td>
</tr>
<tr>
<td>9.4.2</td>
<td>Specialized Courses for Member</td>
<td>98</td>
</tr>
<tr>
<td>9.4.3</td>
<td>Collaborations with Universities/Institutes</td>
<td>98</td>
</tr>
<tr>
<td>9.5</td>
<td>Strategy for Professional Supervision</td>
<td>98</td>
</tr>
<tr>
<td>9.6</td>
<td>Strategy for promotion of good corporate governance, nationally and internationally</td>
<td>99</td>
</tr>
<tr>
<td>9.6.1</td>
<td>Leadership Role</td>
<td>99</td>
</tr>
<tr>
<td>9.6.2</td>
<td>Secretarial Standards</td>
<td>99</td>
</tr>
<tr>
<td>9.6.3</td>
<td>ICSI National Award for Excellence in Corporate Governance</td>
<td>99</td>
</tr>
<tr>
<td>9.6.4</td>
<td>Awareness about PMQ course</td>
<td>100</td>
</tr>
<tr>
<td>9.6.5</td>
<td>Global Initiatives in Corporate Governance</td>
<td>100</td>
</tr>
<tr>
<td>9.7</td>
<td>Strategy for services to students and members</td>
<td>100</td>
</tr>
<tr>
<td>9.7.1</td>
<td>Re-organization</td>
<td>100</td>
</tr>
<tr>
<td>9.7.2</td>
<td>On-line services</td>
<td>101</td>
</tr>
<tr>
<td>9.7.3</td>
<td>Postal services</td>
<td>102</td>
</tr>
<tr>
<td>9.8</td>
<td>CS as a regular course</td>
<td>102</td>
</tr>
<tr>
<td>9.9</td>
<td>Research strategies</td>
<td>103</td>
</tr>
<tr>
<td>9.10</td>
<td>Social Responsibilities</td>
<td>103</td>
</tr>
<tr>
<td>9.11</td>
<td>Strategies for the development of the Institute generally</td>
<td>103</td>
</tr>
<tr>
<td>9.12</td>
<td>Chapter summary</td>
<td>104</td>
</tr>
<tr>
<td>10</td>
<td><strong>Implementation of Vision 2020</strong></td>
<td>107</td>
</tr>
</tbody>
</table>
VISION 2020

EXECUTIVE SUMMARY

INTRODUCTION

The Institute of Company Secretaries of India (ICSI) commenced its journey in 1968 as a company incorporated under section 25 of the Companies Act, 1956 by the Government of India. The Institute, converted into a statutory body under the Company Secretaries Act, 1980 with effect from 1.1.1981, has been entrusted with the responsibility of development and regulation of the profession of Company Secretaries.

The Company Secretaries profession has seen steady yet phenomenal growth, not only in terms of number of students and members, but more importantly in terms of its acceptance by trade and industry, regulators and other stakeholders. Today, the Institute has over 2,30,000 students pursuing the Company Secretaryship course and over 28,000 members, both in employment and in independent practice rendering services to corporates.

As is the case with any profession, the profession of Company Secretaries has evolved much, and that process continues. Factors such as stakeholder expectations, environmental factors, its strengths and weaknesses, the competitive landscape, are driving the pace and direction of the evolutionary process. Therefore, it is critical to track these factors closely so as to be able to frame the right strategies and responses.

This ICSI Vision 2020 framework is a conscious effort to make such assessment and devise suitable strategies and action plans that will determine the pace and direction of the growth of the profession of Company Secretaries over the decade 2011-2020.

In order to form the Vision of the Institute for the next decade it is very important to ascertain the expectations of the various stakeholders. So the first step towards formulating the ICSI Vision was to conduct a survey to understand the expectations of the stakeholders of ICSI.
STAKEHOLDERS’ EXPECTATIONS

Trade and Industry

Industry, while appreciating the role of Company Secretaries in promoting good governance practices, compliance management and board processes, expect the members:

• to be a versatile and strategic resource to industry and emerge as ‘Corporate Advisors’ and ‘Corporate Managers’;
• to be involved in frontline activities of fund management, wealth creation and business management and to exhibit business attitude;
• to develop executive skills like decision making, leadership, team work and strength in the soft areas such as inter-personal skills;
• to carve out expertise in new areas like indirect taxation, governance of unlisted companies, risk management, SME sector;
• to carve out the USP of the profession as a whole and provide rigorous training to members;
• to develop and conduct sector specific training programmes for members; and
• to collaborate with sector specific bodies e.g. Indian Banking Association, IRDA, AMFI to conduct joint certification programmes for members rendering services in those sectors.

Regulators

Highly valued and relied upon by the regulators, Company Secretaries need:

• to develop expertise in drafting and documentation, as well as advocacy skills; and
• to be enthusiastic about capitalizing on new opportunities.

The regulators opined that there is a need to improve presentation skills, managerial skills and drafting and pleadings skills.

Members in Employment

Members in employment expect a distinct and visible brand image for the profession, enhanced employment opportunities and their positioning not only as ‘Corporate Managers’, but “Top
**EXECUTIVE SUMMARY**

Management” potential. Members feel that more specialized courses at PMQ level/short term courses would help them to diversify into new areas. Better networking with industry, regulators and professional bodies abroad and with international organizations would be required for growth of the profession.

**Members in Practice**

Members in practice expect more and more exclusive recognitions from the Government, a distinct brand image for the profession, a strong practice side and their positioning as ‘Corporate Advisors’. Members feel that more seminars, trainings, practical exposure and specialized courses at PMQ level/short term courses would help them to diversify into new areas. Better networking with regulators and with industry and professional bodies would be required to strengthen the practice side of the profession.

**Students**

Students are the life line of the profession. In addition to seeking good career opportunity, students take pride in pursing a course that is distinct from others, giving them specialized knowledge. They expect quality and timely services, timely upgrading of the syllabus, quality study material, a robust training structure, practical oriented examinations, programs on soft skills and personality development, placement support, good infrastructure at the local Chapters, good oral coaching services and collaborative arrangements with reputed institutions, so as to be able to broad-base their professional knowledge and skills.

**Society**

Society is the first and foremost stakeholder. It expects the Institute to provide employment opportunities to students by imparting high level knowledge and training; play the role of conscience keeper and torch bearer in educating the corporate sector about corporate governance and corporate social responsibility; promote investor education and protection; train and develop management leaders including independent directors and organize campaigns in areas such as blood donations, tree planting, cleanliness, voluntary services, etc.

**Employees**

Employees are aware that their career prospects will grow in tandem with the growth of the profession; therefore they expect to focus more on the corporate sector for better absorption
of members and to have better coordination with the government. Employees wish to make ICSI a world class institution and project it as such.

Environment

The economic reforms initiated by the Government of India in the early-nineties and since pursued by successive governments, have led to freeing business from the shackles of licenses and controls. Several sectors such as telecom, automobiles, insurance, electricity, civil aviation, power, etc. have been thrown open to private participation.

The last two decades have seen the enactment of new laws and amendments of the existing laws to pave the way for economic reforms. SEBI Act, Depositories Act, TRAI Act, FEMA, IRDA Act, CERC Act, IT Act, Competition Act etc are some of these legislations.

India’s capital markets have seen phenomenal growth over the past two decades, both in terms of number of listed companies and the amount of capital mobilized. The inflow of foreign capital has been substantial and India has become a favoured destination due to its strengths. The process of globalization has seen a host of foreign companies establishing operations here. At the same time, a new breed of ‘Indian MNCs’ have emerged acquiring foreign companies, with some notable big ticket and high profile acquisitions. Several Indian companies are opening subsidiaries in foreign countries.

The reforms process has thus put India into the league of the fastest growing economies of the world and opened up numerous opportunities for professionals, among them Company Secretaries.

Members have seized these opportunities by providing their services in diversified areas, with considerable success. This success ought to make the Institute and its stakeholders proud, and to attract new students to the Institute.

The coming decade is expected to broaden the opportunities for the profession. A new company law, renewed focus on corporate governance standards, demand for corporate social responsibility, adoption of XBRL, convergence with IFRS etc. – all these are expected to provide more and diversified opportunities to the members.

The coming decade will require looking beyond traditional and conventional opportunities to opportunities on a wider canvas. Traditional barriers should give way to a broad vision and a modern mindset. Value addition and stakeholder wealth maximization will be the key
EXECUTIVE SUMMARY

‘mantras’ to be able to adapt, survive and grow in the market place, whether in employment or in practice. Multi-tasking and versatility would be among the required skill sets to reach the pinnacle of the professions. Entrepreneurial skills and intelligent risk taking will also be critical. In a nutshell, a totally new orientation would be required in the coming decade; a transformation of sorts.

Technology has changed business processes in the last two decades. Even the Government has been shifting its focus towards leveraging Information Technology in all aspects of governance. MCA-21, the e-governance project of Ministry of Corporate Affairs (MCA) and dematerialization of securities are the most successful IT programmes of the last two decades which are directly connected with the profession of Company Secretaries. With the initial inhibitions overcome, it has been proved that technology advancements are not only inevitable but are in fact facilitators of growth. So, the Institute and the profession of Company Secretaries need to leverage advancements in information technology to remain competitive.

MISSION AND VISION

Based on the expectations of various stakeholders the Institute has formulated the new Mission and Vision Statement.

Mission Statement

“To develop the highest calibre professionals, facilitating good Corporate Governance.”

Vision Statement

“To be a global leader in the development of professional specialists and in enhancing Corporate Governance Standards”

STRENGTHS-WEAKNESSES-OPPORTUNITIES-THREATS

The profession of Company Secretaries has to realize its strengths and build upon them to harness the full potential in all spheres of its activities, namely student enrolment across the country, quality of education and examination, training, placement, professional development, visibility, global reach, linkages with stakeholders, recognitions and diversification.

Some of the strengths of the Institute and profession to be further augmented and leveraged as a base for carrying the profession to the next level of prominence and proficiency in the
coming decade include: statutory recognition, prominent role in promoting compliance management and good corporate governance, student trust and confidence, Government and regulator trust and confidence, industry confidence and recognition, brand value, proximity to the Board and top management, range of services being provided by its professionals, uniqueness of the course supported by strong training structure, continuing education programs for the development of the members, democratic governance and effective administration with efficient disciplinary mechanism, sound financial position of the Institute, and credible performance of the members.

The process of evolution has also thrown some challenges, and these require prompt attention. These could be converted into opportunities by taking focused approach. The steps include creating greater awareness about the course, striking a better balance between growth of students and members, and infrastructure, improving the practical orientation of the course and training contents, examination pattern, placement mechanism, better coordination with industry, improvement in interpersonal skills and developing entrepreneurial skills - these are some of the such areas which would require concerted efforts.

The opportunities are immense and will only increase in the coming decade due to strong demand factors, among them new thrust on corporate governance and corporate social responsibility, diversification of the profession into new areas, emergence of global professional services, new forms of organization such as LLP, OPC etc, potential opportunities in upcoming fields like NCLT, competition laws, insolvency laws, KPOs, LPOs etc. Therefore, the right knowledge, skills and attitude would have to be developed to help the members take full advantage of these opportunities.

While focusing on the opportunities, the profession will have to be aware of and address the challenges and threats to the profession. These include increasing competition from other professions, smaller size of PCS firms, technological obsolescence, new players in education field and over-dependence on legal recognitions. These challenges need to be met by making suitable policies and strategies to enable the profession not only to meet the expectations of the stakeholders but exceed them convincingly.

**OBJECTIVES, STRATEGIES AND ACTION PLAN**

To meet the expectations of stakeholders and to convert them into implementable propositions, short, medium and long term, objectives, strategies and Action Plan need to be devised. These have to be clear cut and actionable.
EXECUTIVE SUMMARY

Members in Employment

The objective of the strategy for the members in employment shall be to enable them to become 'Corporate Managers' responsible for total compliance management and adoption of good corporate governance practices along with adding value and maximizing wealth for the company and its stakeholders as a part of the management through:

- creation of employment opportunities in new sectors and areas through interaction and co-ordination with industry and regulators;
- institutional placement support mechanism;
- improving knowledge skills and approach commensurate with the demands of a dynamic environment.

The ICSI’s Centre for Corporate Governance, Research and Training will play a significant role in this regard. It is expected to enable the designing and conducting of pilot training programmes for honing the skills particularly of senior members, to create a pool of trained persons who would be in a position to function as Directors. This will help in creating a career path for Company Secretaries.

Members in Practice

The objective of strategy for members in practice shall be to enable them to serve as 'Corporate Advisors' providing sound and efficient compliance management, advisory and representational services in all areas of corporate activities through:

- more and exclusive statutory recognitions;
- improvement in advisory and advocacy skills;
- diversification into new and emerging areas;
- capacity building in new areas;
- tapping the SME sector.

Profession

The objective of the strategy for the profession as a whole shall be to continuously develop the highest calibre professionals for facilitating good corporate governance, through:

- more and exclusive recognition from the industry and regulators;
• explore opportunities in sectors that have huge potential, like banking, insurance, PSUs etc.

• creation of visibility and brand value for the profession;

• bringing a global perspective to all aspects of the profession;

• continuous educational and professional development;

• imparting specialized knowledge through specialized courses;

• promotion of good corporate governance nationally and internationally;

• conduct international conferences and seminars;

• quality services to students and members;

• cutting edge research in corporate governance; and

• fulfillment of its obligations towards society.

Students

The objective of the strategy for students in the coming decade shall be to attract bright and talented students, and transform them into versatile corporate professionals by providing the best education and training and enable them to become Corporate Managers/Corporate Advisors through:

• a high quality education and examination system;

• robust training mechanism with special focus on soft skills;

• enhanced placement opportunities

• quality of services
THRUST AREAS FOR NEXT DECADE

The changing business and regulatory environment and the ever increasing expectations of stakeholders will be the norm in the future. It is extremely important not only to reshape and reposition the profession with long term vision and futuristic thinking but also to design and implement the action plan effectively, and in a timely way. The underlying objectives and focus of the Institute in the next decade shall be to:

1. meet the expectations of the trade and industry in terms of value added services;
2. sustain the faith and trust of the Government and regulators through demonstrating the highest level of professionalism;
3. provide leadership in the promotion of good corporate governance and corporate social responsibility; and to establish bench marks of good Corporate Governance Practices at its Centre for Corporate Governance, Research and Training;
4. enable members in employment to become “Corporate Managers” occupying management positions involving frontline activities and decision making processes;
5. conduct workshops at Regional and Chapter levels as well as residential workshops at its Centre for Corporate Governance, Research and Training to build capacities of the members in practice to become “Corporate Advisors“;
6. motivate and support members and to help them diversify into new and emerging areas of employment and to become independent professionals;
7. improvement in examination, training, and continuous professional development;
8. transform the Institute into a world class professional body by leveraging technology for upgrading infrastructure facilities at all levels, training and reorientation of employees and improving the quality of services to all its stakeholders;
9. enhance the visibility and brand value of the profession;
10. maintain and enforce the highest standards of professional values and ethics.
TOP 10 GOALS FOR 2011-14

The top 10 goals for 2011-14 shall be to:

1. develop a cadre of competent professionals;
2. improve infrastructure with special attention to Regional Offices and Chapters;
3. make ICSI the best institute to deal with;
4. provide best training to the students;
5. continuous interaction with regulators and industry;
6. enhance placement opportunities;
7. improve the visibility of the profession;
8. increase membership strength;
9. enhance financial resources; and
10. provide leadership globally.
CHAPTER 1
INTRODUCTION

1.1 CONSTITUTION OF CORE GROUP ON ICSI VISION 2020

The Company Secretaries profession, through its glorious history, has made a niche for itself and is growing apace. As the emerging paradigm is constantly changing and making the market place more competitive, the profession has to renew, reinvent and reshape itself, if it is to scale new heights. These changes call for a new mindset, to meet new expectations from corporate and corporate professionals. These expectations necessarily require Company Secretaries, as every other corporate professional, to change their skill sets, knowledge base, and attitudes.

The new expectations, challenges and opportunities - in the economy, industry, regulatory environment and technology call for rejuvenating and reshaping the profession, with a long-term vision and strategy, futuristic thinking and planning, and effective implementation.

Given this backdrop, the Council of the Institute decided to draw up ICSI Vision 2020 and for this purpose constituted a Core Group to develop the Vision. The composition of the Core Group is as follows: -

1. Ravi Kastia, Global Head, Mining & International Trading Aditya Birla Group, Mumbai. Chairman
2. A K Khandelwal (Dr.), Former Chairman & Managing Director, Bank of Baroda, Mumbai. Member
3. Arun Nanda, Executive Director, Mahindra & Mahindra Mumbai. Member
4. C Parthasarathy, Managing Director, Karvy Computershare Pvt. Ltd., Hyderabad. Member
5. Susir Kumar, Chief Executive Officer, Intelent Global Services, Mumbai. Member
The Core Group was supported and assisted by the President and Secretary & CEO, ICSI.

1.2 TERMS OF REFERENCE

To prepare an outlook for ICSI and the profession of Company Secretaries in 2020 (ICSI Vision 2020), focusing particularly on opportunities and challenges, in the light of profound changes in the business environment, technological advancements, changing regulatory approach and growing expectations of stakeholders.

(i) To envision the possibilities of enhancement of potential of Company Secretaries over the next decade to develop as multifaceted corporate professionals, by identifying new areas in employment and practice so as to expand the profile of services of Company Secretaries.

(ii) To recommend strategies to enable creation of special niches in international market for professional services.

(iii) To suggest measures to benchmark the standards of learning and training.

(iv) To propose appropriate goals, targets and strategies for achieving Vision 2020.
1.3 CONCEPTUAL FRAMEWORK

The Core Group had the benefit of Dr. M. B. Athreya’s conceptual framework in the research, analysis and drafting of this ICSI Vision 2020. Dr. Athreya was invited by the Council in 2008 to be a member of the Core Group. While he was unable to be a formal member and attend Core Group meetings, he kindly offered to be an Advisor to the Core Group. The Council gratefully accepted his offer. He has helped at various stages, including, in particular, the following three stages:

He shared the conceptual framework, to guide the Core Group in its very first meeting in Mumbai, which is briefly described later in this section.

He met the Chairman and some members of the Core Group and Research Team and advised on the detailed steps through which to apply the framework, in the research; data collection; analysis; and formulation of ICSI Vision 2020.

He perused the draft provided, and gave suggestions to refine the draft.

Naturally, the ICSI Vision is the product of the Core Group, with the final approval of the Council. The Core Group will be gratified if this Vision can serve as a guide for action by the Institute and members, in the coming decade.
The Conceptual Framework is shown in the following figure.
1.4 Actualisation of Conceptual Framework

The logical flow for actualization of the conceptual framework has been explained as under:

1. The place to start is to listen to and understand the expectations of the Stakeholders. The Institute’s various stakeholders were identified and their views were sought through questionnaires and interactions. These are summarized in Chapter 2.

2. From these rising expectations and the Institute’s own aspirations, Mission and Vision statements have been drafted. These are given in Chapter 3.

3. The Mission and Vision have to be pursued in the context of a dynamic Environment, which offers both Opportunities and Threats. These are covered in Chapter 4.

4. Strategies to achieve the Mission and Vision will depend not only on the opportunities and challenges, but also the Strengths and Weaknesses, based upon a Resource Audit. These issues are dealt with in Chapter 5.

5. Strategies and Action Plans, based on the above SWOT analysis, are covered in the subsequent Chapters, in detail, with respect to:
   
   i. Students. (Chapter 6)

   ii. Members in Employment (Chapter 7)

   iii. Members in Practice. (Chapter 8)

   iv. The Profession (Chapter 9)


1.5 METHODOLOGY

The Core Group, with a view to formulating a realistic ICSI Vision 2020, desired that a market survey may be carried out to assess the views and expectations of the various stakeholders, viz members, students, employees of ICSI, trade & industry and regulators, in order to obtain their collective ideas and inputs.
An in-house team of ICSI conducted a market survey to seek views, opinions and suggestions of trade & industry, regulators, members in employment, members in practice, students and employees of ICSI.

The market survey was conducted to collect

**Qualitative Inputs**
By means of personal interviews group discussions, meetings and seminars with
- trade & industry,
- Regulators,
- members in employment,
- members in practice,
- students and
- employees

**Quantitative inputs**
By means of on-line survey of
- members in employment,
- members in practice and
- students

In addition, a one day seminar was organized by the Northern India Regional Council (NIRC) on the theme “Profession of Company Secretaries Vision 2020”. The Secretary, Ministry of Corporate Affairs, was the Chief Guest. Council Members, Past Presidents and about 250 members of the ICSI attended the seminar.

The views and suggestions of the members were also obtained during the Practising Company Secretaries’ Conference held at Chandigarh in 2010.
INTRODUCTION

Meetings were held at the Chapter level to obtain the views and suggestions of members and students.

The views of the Chairpersons and other office bearers of the Regional Councils and Grade-A Chapters were also obtained during the President Meets in 2010 and 2011.

The ICSI Vision 2020 also involves extensive secondary research, collection of a variety of secondary (internal and external) databases, interpretation of historical data and records of the Institute, and study of different internal reports of the Institute, like Employability Report, Organisational Structure Report, Report by Core Group on Infrastructure, Report on ICSI Vision 2010 etc., published over the past decade.

One on one interviews were held with members, trade and industry, regulators and students in all four regions, namely:

- **Northern Region**: Ludhiana, Jaipur, Kanpur and Delhi
- **Southern Region**: Bangalore, Chennai and Hyderabad
- **Eastern Region**: Kolkatta and Bhubneshwar
- **Western Region**: Ahmedabad, Pune and Mumbai

The questionnaires, seeking on-line responses from members and students, were placed on the web-site of the Institute. The survey was given wide publicity through the web-site, bulk mails, bulk SMSs, Journal, and seminars/conferences.
The response to the market survey is summarized in the table below:

<table>
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CHAPTER 2
STAKEHOLDERS’ EXPECTATIONS

2.1 SURVEY ANALYSIS

The *raison d'etre* of the Institute, the very reason for its existence, is to serve the rising expectations of its “Stakeholders”. They may be divided into two broad categories—external and internal.

The external stakeholders should be given priority. There are three major external stakeholders:

(i) Trade and Industry
(ii) Regulators
(iii) Society

The internal stakeholders are the “Trustees” of the Institute. They earn their just rewards by serving the external stakeholders. Among the internal stakeholders, the students, who are the future of the Institute, must be given priority. The bulk of our qualified members are in employment and then there are members in practice. Last, but not the least, are the employees of the Institute from the Secretary and CEO to the junior-most staff, who are the backbone of the Institute, who deliver educational, training and administrative services to students and members, to equip them with right kind of knowledge, skills and exposure to enable them to provide value added professional services to external stakeholders.

ICSI Vision 2020 should accordingly be articulated to reflect the aspirations and expectations of its various stakeholders such as members, students, trade and industry and regulators.

ICSI approached persons from the following seven segments of its stakeholders through Interviews/Questionnaires etc. to ascertain their views and expectations from the profession of Company Secretaries and the Institute:

(i) Trade and Industry
(ii) Regulators
(iii) Society
(iv) Students  
(v) Members in Employment  
(vi) Members in Practice  
(vii) Employees

The questions focused on various parameters including syllabus, coaching, examination, practical training, employability of new members, unexplored/potential areas, measures to enhance acceptability of CS profession in new areas, professional development and continuing education, competitive edge and future challenges. The responses received from different segments of stakeholders were analysed to gauge their expectations. The findings of analysis are given below:

2.2 FINDINGS OF STAKEHOLDERS’ SURVEY ANALYSIS

2.2.1 Trade and Industry

Industry recognizes and appreciates the role being played by Company Secretaries in the areas of-

- compliance management,
- good governance practices, and
- board processes.

Industry appreciates the professional attitude of Company Secretaries (CS), and that the Company Secretaries are disciplined and carry out compliances well within time. Industry also recognizes the importance of the role of Company Secretaries in investors’ relations and protection of their interests.

However, with the change in the economic and business environment, the expectations of trade and industry from the profession have broadened, and these wider expectations are summarized below:

(a) Personality and Personal traits

- Company Secretaries will have to be a versatile and strategic resource for industry, providing strategic value addition to the board, promoters and shareholders and to display multi-tasking capabilities.
• Soft skills need further sharpening commensurate with emerging business trends and expectations.

• Company Secretaries should get involved in frontline activities and exhibit a business perspective for holistic growth of the company.

• There should be more focus on developing executive skills such as decision making, leadership, teamwork and inter-personal relations.

(b) New areas

• Company Secretaries, with their knowledge and expertise, should play a lead role in guiding promoters, directors and society at large in adopting good Corporate Governance practices, beyond the merely legal prescriptions.

• Company Secretaries should work to promote good business practices which will add value to the business by enhancing its image among its customers.

• The Institute should devise separate governance standards for unlisted companies.

• Indirect taxation is an area where industry is looking for capable professionals. The profession should fill this gap as it has the requisite knowledge and skills in this field.

• India has a large SME sector. There is lack of professional support to the SME sector, particularly in rural areas and in tier II and tier III cities. The profession should provide value added support to the SME sector.

• Risk management is fast emerging as an area for professional support. Company Secretary is the closest competent person to discharge the role of a risk manager.

• Industry expects Company Secretaries to contribute in the areas of fund management, wealth creation and business management.

(c) Technical competencies

• Besides Corporate compliances, Company Secretaries should also acquire expertise in the areas of legal drafting and documentation.
- Laws are getting liberal as well as complex and changing very fast. CS must be updated about regulatory changes and must educate and update management about changes in the applicable laws and their likely impact on the company and the domestic environment as well as economy as a whole.

- Globalization is an opportunity as well as a challenge for the profession. CS should be able to provide support in conducting global business and managing global alliances. Exposure to international laws and corporate laws of the major economies is desirable.

- CS should develop advocacy skills so that they can directly appear before Tribunals and other bodies thereby economizing on the costs of legal proceedings for the company.

(d) The Profession

- The profession should clearly carve out its USP vis-a-vis other professions.

- MSMEs cannot afford two or three sets of professionals. Therefore, networking through cooperation, better linkages and synergy among the members is needed for growth.

- The profession should develop better rapport with industry and regulators.

- Coaching and training should focus more on developing executive soft skills to enable the members to think and act as proactive business managers.

- Knowledge in the areas of finance, accounts and taxation needs to be improved among members.

- The CS course needs to be more business oriented.

- Industry should feel that they need CS professionals, for their knowledge and skills and for adding value to the business.

2.2.2 Regulators

Company Secretaries are highly valued and relied upon by regulators for compliances and they are considered as the first level regulators at the corporate level. In effect, they are considered an extended arm of the regulatory mechanism. They act as the link and interface
STAKEHOLDERS’ EXPECTATIONS

between industry and regulators. Regulators appreciate the role of CS in Company law and expect more to be delivered by CS professionals.

(a) Knowledge and Expertise

- The regulators feel that Company Secretaries have good knowledge and expertise in Company Law matters.
- Excellent legal drafting is expected from a Company Secretary.
- Presentation and pleading skills need to be strengthened.
- Practical exposure and analytic skills of members need to be strengthened.

(b) New Areas

- Company Secretaries should be motivated to take challenges in new areas.
- CS should play a pre-dominant role in areas of corporate laws such as Securities and Capital Markets Laws, Environmental laws, Labour Laws, Insurance and Banking Laws, Cyber Laws, IPRs, Taxation (both direct and indirect), etc.

(c) Ethics

- Company Secretaries enjoy the confidence of industry as well as regulators for their professional conduct, ethics and values.
- The code of conduct needs to be reviewed in the light of the events that have been taking place in the corporate sector periodically.
- The profession should maintain an effective mechanism for disciplinary control.

(d) The Profession

- The number of members appearing before regulators, other than MCA/CLB is low, and this needs to be looked into.
- The members need to act as a facilitator and develop confidence and conviction while appearing before regulators.
- There is the need for regular and better interaction between regulators and the profession at periodic intervals, for better mutual understanding.
2.2.3 Society

(a) Career Opportunities
ICSi as an Institute should play a major role in imparting knowledge and training to the students so that they can build a career in the corporate sector, either as employees or as practitioners.

(b) Good Corporate Governance
Growth of the corporate sector is imperative for development and welfare of society. Society provides the necessary inputs to the corporate sector and expects the sector to work for its welfare and interest. Due to the separation of ownership and management, society depends largely upon professionals for the healthy growth of corporates and protection of the interests of the society. Good corporate governance is an all encompassing concept which is vital for modern day corporates and society.

The profession of Company Secretaries is seen by society as the champion of good corporate governance, in ensuring that corporates:
- run their businesses in accordance with the laws of the land;
- follow ethical and honest practices in business;
- protect and promote the interests of investors who invest their hard earned savings in the capital of the company;
- maintain transparency and provide correct and adequate information and disclosures about their business activities;
- run their business in a sustainable manner; and
- work in the larger interests of society.

(c) Inclusive Growth and Corporate Social Responsibility
Based on historical, socio-religious, political and economic factors, Indian society has its unique problems and characteristics. Poverty, illiteracy, employment, drinking water, sanitation and health, environment, regional imbalances etc. are problems which need to be addressed at all levels. The government is continuously making efforts to improve the situation and the corporate sector, as it has the requisite size, resources and reach, has the social responsibility to augment and support the efforts of the government.
The profession of Company Secretaries has to play the role of conscience keeper and torch bearer in educating and motivating corporates to play their role in promoting inclusive growth.

(d) **Investor Education and Protection**

An informed investor is more precious than the investment. Investors provide the much needed capital which, combined with entrepreneurial skills, results in successful corporate. These corporates provide goods and services, taxes, and employment, and fuel economic growth. Therefore, it is very important that investors are educated, enlightened and well informed to be able to take sound investment decisions and to protect their interests.

The ICSI as a national body, and its members as corporate governance professionals, have a vital role to play in the area of investor education and protection.

(e) **Management leaders**

Visionary, law abiding and imaginative managers are required to lead businesses. The ICSI has a role to play in training and development such leaders, including independent directors. The Institute can take initiatives to train directors on their roles, responsibilities and liabilities.

(f) **Social Service**

Society expects selfless service from its members and institutions not only in times of crisis, but constantly, for healthy, sustainable and vibrant growth. Therefore, ICSI and its members must be ready and at the forefront whenever any social service is required, in times of turbulence or normal times. The members may contribute to the society by means of blood donations, tree plantings, cleanliness drives, donations, voluntary services, creating awareness about protecting the environment, etc. The ICSI need to collaborate with Non-Governmental Organisations (NGOs) to promote social causes.

2.2.4 **Students**

(a) **Career expectations**

A good career opportunity is the first and obvious expectation of students jointing the course. Good career opportunities include decent salary, high status
in the company or reasonable opportunities to practice, in order to sustain a dignified life. The students perceive that this course should give them an edge over their peers in other professions and a distinct set of opportunities due to their specialized knowledge.

(b) Services by the Institute

Though the majority of students are satisfied with the services provided by the Institute, there are certain areas where students expect improvement, namely:

- Proper and timely guidance from the Institute;
- Postal Services;
- Placement Services;
- Online services i.e. filling various forms, facility for payment of fees and updated status information, etc;
- Infrastructure facilities at Chapter level including library, canteen, oral coaching classes, and exam centre, etc.;
- Increased awareness and visibility of the Profession;
- Brand image of the Institute and the Profession;
- More legal recognitions for better opportunities;
- Improved e-learning facilities;
- Industry specific training.

(c) Syllabus

- Timely updation of syllabus;
- More focus on practical aspects;
- More focus on Finance, Accounts and Taxation;
- Addition of subjects/topics like Banking and Insurance, CrPC/IPC/CPC, Labour laws, HRM, IPR, Cyber Laws, Negotiable Instruments Act;
- Introducing optional subjects at the Professional (Final) level in areas like finance, accounts, taxation, international trade, M&A, insurance and banking, IPR and labour laws.
(d) **Study material**

Most of the students are satisfied with the quality of study material but certain suggestions for improvement have been received:

- Timely availability of study material;
- Simple and understandable language;
- More interesting and interactive presentation;
- Improvement in quality of guideline answers;
- Good quality binding of the study material;
- Improving the visual appeal through colour printing and pictures, charts, graphs, tables;
- Providing more illustrations, case studies and exam oriented exercises;
- Deletion of unnecessary details, so as to reduce the bulk.

(e) **Coaching**

- Development of soft skills and personality development.
- Quality of oral coaching imparted by the Regional Councils/Chapters to be competitive with the private coaching centres.
- Improvement in quality of faculty, infrastructure and more time for each subject to make oral coaching effective.
- More centres for oral coaching to provide convenient and cost effective access to students in remote areas.
- Provision of oral coaching facilities at remote areas on weekends.

(f) **E-learning**

Students expect that awareness about e-learning should be created so that maximum number of students can avail of it.

(g) **Training**

- Advanced IT training should be imparted.
- The 15 month training period should be made more effective.
• ROC training should not be mandatory.
• Soft skills need to be improved through training.
• Development of adequate infrastructure for conducting SIP, TOP and MSOP.

(h) Examination
• Examination questions should be tough.
• Postal services regarding admit card and mark sheet should be improved.
• There should be a one day gap between two examinations.
• Proper infrastructure at Examination Centers.
• Possibility of online exams may be explored.
• Examination questions should be a proper mix to evaluate students on the basis of their theoretical and practical knowledge and analytical skills.

(i) Residential programme on soft skills and personality development
A CS is exposed to the Board, regulators, investors, employees, etc. right from the start of his career. The students joining the CS course come from diverse backgrounds in terms of medium of education, schooling, locality, upbringing, etc. Moreover, the course being a distance learning course, students have limited opportunity for interaction with peers, interaction that helps in personality development and creating competitive spirit which are very much needed for professional growth and development.

The students feel that there is a need for a specialized residential training to help them develop these soft skills and attributes.

(j) Collaborative Arrangements
Most of the students suggested that ICSI should collaborate with reputed universities/Institutes of national importance so that they can simultaneously acquire Graduation/Masters/LL.B./MBA Degree.

2.2.5 Members in Employment

(a) CS as a Corporate Governance Professional
• The Institute should promote Corporate Governance in association with government and industry.
• The Primary role and responsibility of CS should be to guide the Board and management about Good Corporate Governance and business practices.

(b) **Enhancing employment opportunities**

• There should be marketing of the course and the profession focusing on new and emerging areas and industry sectors.

• Regular coordination with trade and industry to create visibility for the profession.

• Institute should make efforts to ensure strict compliance with section 383A of the Companies Act, 1956 by companies.

• Spread wings of CS community in tier II and III tier cities and small towns.

• More legal recognitions to enhance the employability of CS, particularly with focus on State-level recognitions in the area of Trusts, Co-operative Societies, NGOs, Education sectors etc.

(c) **Positioning of the profession**

• The members in employment should be enabled to act as “corporate managers” providing value added services to corporates.

• Members should be equipped with managerial, leadership and business skills through specialized training and programmes to help them interact with senior management.

(d) **Visibility and brand building of Profession**

• More recognitions and certifications.

• Placement services

• Career awareness programmes.

• Wide dissemination of success stories.

(e) **Improving the quality of services**

• Strict compliance and enforcement of Code of Conduct.

• Provide academic and other support for updation of knowledge.

• Provide training in the latest IT and other technological advances.
(f) **Specialized courses at PMQ level**

Most of the respondents are in favour of specialization at the post membership level through PMQ or capsule programmes. Preferred areas of specialization for members in employment are:

- Taxation (Direct, indirect and international taxation)
- Accounts, IFRS, Management Accounting
- Corporate governance
- Intellectual Property Laws
- Corporate Finance and investment Banking
- Securities Laws and Capital markets
- Foreign trade, FEMA, Forex, FDI, EXIM
- Banking regulations and Insurance
- Human Resources and Labour Laws
- International Law and international contracts
- Legal Drafting and Conveyancing
- JVs, Foreign collaboration, M&A
- Arbitration Law and Alternative Dispute Resolution
- Risk management

(g) **Quality of new members**

Quality of new members to be further enhanced through:

- Relevant and practical syllabus.
- Quality teaching.
- Rigorous examination system.
- Comprehensive training in IT, soft skills, practical aspects, corporate culture and legal drafting and procedures.

(h) **Global perspective**

- Reciprocal recognitions of the course.
- Global collaborations and tie ups.
STAKEHOLDERS’ EXPECTATIONS

- Courses in international business.
- Focus on global CG standards.
- Programmes and seminars at international level.

(i) **Competitive Edge over other Professions**
- Develop corporate laws as the core strength of the profession to gain competitive edge. A Company Secretary has to be a specialist and solution provider in corporate laws.
- The Institute should instill the highest standards of ethics and conduct by members.

2.2.6 **MEMBERS IN PRACTICE**

(a) **Strengthening practice side**
- Exclusive recognition from the government including State level recognitions in the area of Trusts, Co-op Societies, NGOs, Labour laws, VAT, etc.
- Capacity building of members to enable them to enter new areas like valuation, competition law, corporate restructuring, insolvency, etc.
- Improve pleading and appearance skills.
- Compulsory secretarial audit for specified class or category of companies.

(b) **Positioning of the profession**
- The members in practice should be promoted and projected as “Corporate Advisors”, providing advisory and representational services.

(c) **Improving the quality of services**
- Introduction of peer review.
- Random checking of compliance certificates and other services provided by PCS.
- Strict compliance and enforcement of Code of Conduct.

(d) **Visibility and brand building of Profession**
- More and more recognitions and certifications
- Publicity about the services rendered by Company Secretaries in practice.
• Joint seminars and programmes with trade and industry associations.
• Build awareness in rural and semi-urban areas.

(e) **Specialized courses at PMQ level**

Most of the members in practice favoured specialization at the post membership level through PMQ or capsule programmes. Preferred areas of specialization are:

• Taxation (direct, indirect and international taxation)
• Accounts, accounting standards, IFRS, management accounting
• Corporate governance
• Intellectual property laws
• Competition law
• Corporate finance and investment Banking
• Securities laws and capital markets
• Foreign trade, FEMA, Forex, FDI, EXIM
• Banking and Insurance
• Human resources and labour laws
• International Law and international contracts
• Legal drafting and conveyancing
• JVs, foreign collaboration, M&A etc.
• Corporate restructuring
• Revival and rehabilitation of sick companies
• Valuation
• Insolvency

(f) **Quality of new members**

Members expect that quality of new members should be further enhanced through:

• Practical syllabus
• Quality teaching
• Rigorous examination system.
• Comprehensive training in IT, soft skills, practical aspects, corporate culture and legal drafting and procedures.

**(g) Global perspective**

• Reciprocal recognitions of the course.
• Global collaborations and tie ups at Institute’s level.
• Focus on global CG standards.
• Programmes and seminars at international level.

**(h) Competitive Edge over other Professions**

• Members expect the Institute to create awareness about Corporate Governance and Secretarial Audit, complying with professional code of conduct and diversifying the profile to gain competitive edge.
• There should be focus on the practice side for the growth of the profession.
• Develop corporate laws as the core strength of the profession to gain competitive edge.
• A Company Secretary has to be a specialist and solution provider in corporate laws.

2.2.7 Employees

The employees of ICSI expect:

• To focus on corporate sector for better absorption of members.
• To make ICSI a world class Institution so that people feel proud to be associated with it.
• To have close coordination and collaboration with the Government, MCA and other regulatory bodies so as to enhance the visibility of the profession.
• To create opportunities for employees at all levels to learn, grow and develop their knowledge and skills.
• Match employees’ interests and utilize the best aspects of employees’ personality and skill sets.
• To be open to new ideas and plan everything from the stakeholders’ point of view.
• To provide optimum staff and infrastructure to deliver better quality in view of the manifold increase in registration of students and members.
• To develop the employees’ career path.

2.3 MAJOR THRUST AREAS FOR NEXT DECADE

The Institute shall, for the purposes of its Vision and Mission, strive to:

1. meet the expectations of the trade and industry in terms of value added services;

2. sustain the faith and trust of the Government and regulators by demonstrating the highest level of professionalism;

3. provide leadership in the promotion of good corporate governance and corporate social responsibility; and to establish benchmarks of good Corporate Governance Practices at its Centre for Corporate Governance, Research and Training;

4. enable members in employment to become “Corporate Managers” occupying management positions involving frontline activities and decision making processes;

5. conduct workshops at Regional and Chapter levels as well as residential workshops at its Centre for Corporate Governance, Research and Training to build capacities of the members in practice to become “Corporate Advisors”;

6. motivate and support the members to diversify into new and emerging areas of employment and to become independent professionals;

7. improvement in examination, training, and continuous professional development

8. transform the Institute into a world-class professional body by leveraging technology for upgrading infrastructure facilities at all levels, training and reorienting employees and improving quality of services to all its stakeholders;

9. enhance the visibility and brand value of the profession;

10. maintain and enforce the highest standards of professional values and ethics.
## 2.4 CHAPTER SUMMARY

### STAKEHOLDERS’ EXPECTATIONS

<table>
<thead>
<tr>
<th>Trade and industry</th>
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<th>Students</th>
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<td>• Good career opportunities</td>
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<td>• Carve out new areas like indirect taxation, SME sector, governance of unlisted companies, risk management, fund management, wealth creation, etc.</td>
<td>• Capitalise on opportunities already provided in new areas.</td>
<td>• Services to be improved by proper and timely communication and guidance, online services, improving infrastructure facilities, etc.</td>
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<tr>
<td>• Acquire technical competencies namely legal drafting, global perspective, advocacy skills, drafting and documentation etc.</td>
<td>• Code of conduct to be reviewed every 3 -5 years.</td>
<td>• Syllabus and study material to be updated by making it simple, interactive and practical.</td>
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<td>• Institute to work for the visibility of the profession by carving out its USP, networking with industry and regulators.</td>
<td>• Regular interaction with regulators.</td>
<td>• Practical training to be more industry oriented</td>
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# Stakeholders’ Expectations

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</tr>
</thead>
<tbody>
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<td>• Specialization courses at PMQ level in new and emerging areas</td>
<td>• Increasing visibility and marketing of servicesrendered by company secretaries</td>
<td>• Create growth opportunities for the employees at all levels</td>
<td>• Investor education and protection</td>
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<td>• Global collaboration and tie ups at Institute level</td>
<td>• Specialization courses at PMQ levels in new areas.</td>
<td>• Additional human resource and infrastructure to deliver better quality of services</td>
<td>• Train and develop management leaders including independent directors</td>
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- Undertake Social services like blood donation campaigns, tree plantings, cleanliness drives, donations, voluntary services, etc.
CHAPTER 3
MISSION, VISION AND CORE VALUES

3.1 INTRODUCTION

Today the professions have a great opportunity for rendering valuable services to people because of new technological advancements and the growing knowledge base in almost every profession. There is however, a need to introspect, to take a fresh look at attitudes and the style of functioning. No doubt, the majority of professions are keen to redeem the noble traditions of their professions.

Justice V R Krishna Iyer in his Presidential Address at the National Convention on Professions for the People held on April 21-22, 1984 at New Delhi said that “The rule of life and the role of the professions must in their integral yoga, play a creative role rejecting masked monitorism (??) and practicing authentic humanism. There is need for a dynamic movement which will promote a value revolution in all the professions and with deeper conviction and creative consciousness, struggle for the fulfillment of the pledge of the preamble for our Constitution”.

Profession

A profession is an occupation, vocation or career where specialized knowledge of a subject, field, or science is applied. It is usually applied to occupations that involve prolonged academic training and a formal qualification. It is axiomatic that “professional activity involves systematic knowledge and proficiency.” Professions are usually regulated by professional bodies that may set examinations of competence, act as a licensing authority for practitioners, and enforce adherence to an ethical code of practice.

“A profession is an occupation that regulates itself through systematic, required training and collegial discipline; that has a base in technical, specialized knowledge and that has a service rather than profit orientation enshrined in its code of ethics.” A profession preserves itself by taking collective action, such as setting and enforcing, high standards of practice, which make it indispensable to the public. A second function operates at the individual level, i.e. requiring behavior that increases the well-being of Society.

Professional

The word ‘professional’ may be defined in two ways. One refers to a person with a high
degree of knowledge or skill in a particular field and the other means the way the person performs his duties, i.e., with a high standard of professional ethics, sound behaviour at work, right attitude etc. Actually, being a professional means more than just acquiring a degree. It means being true to your chosen profession and trying to excel in any job assigned.

PROFESSIONALISM

Professionalism is an attitude towards work rather than anything else and it has to be acquired over a period of time.

According to the Oxford Dictionary, the term ‘Professionalism’ means the competence or skill expected of a professional. Professionalism is about individual modes of behaviour that command respect and build trust. It is about excellence in service as measured by recognised standards. It is about delivering services or working to standards that meet the needs of and are expected by clients.

Professionalism may be summarized as ‘doing things right and doing the right things’. ‘Professionalism’ is at the heart of all professions, which are characterised by specific types of occupations requiring special knowledge and skills, having monopoly over its work requiring maintaining standards, independence in carrying out the work but with responsibility and self-regulation as a condition in return for autonomy.

Essentials of Professionalism

- Personal & Professional Effectiveness
- Emotional Intelligence
- Administrative Competencies
- Communication and Active Listening
- Conflict Resolution and Positive Discipline
- Planning and Setting Priorities and Performance Management
- Mentoring and Coaching
- Team Building
- Professional Best Practices
Strategies for Promoting Professionalism

The following are very simple but important tips which will not only improve the general professional image, but will help to improve professional performance.

- Image Building,
- Positive attitude,
- Overcoming emotional triggers,
- Increase Emotional IQ,
- Being responsive, not reactive,
- Accepting responsibility,
- “Can Do” Attitude,
- Build Positive Working Relationships, and
- Continued Growth and Development.

These call for an unswerving commitment to honorable behavior, even at the sacrifice of personal advantage:

- Members are expected to exercise sensitive professional and moral judgments in all their activities, while carrying out their professional responsibilities.
- Members should accept the obligation to act in a way that will serve public interest, honor public trust, and demonstrate commitment to professionalism.
- Members are expected to maintain and broaden public confidence and perform all professional responsibilities with the highest sense of integrity.
- Members should maintain objectivity and be free of conflicts of interest in discharging professional responsibilities.
- A member in public practice is expected to be independent in fact and appearance when providing professional services.
• Members should observe the profession's technical and ethical standards, strive continually to improve competence and the quality of services, and discharge professional responsibility to the best of their ability.

Professional Development

Professional development refers to skills and knowledge attained for both personal development and career advancement. Professional development encompasses all types of facilitated learning opportunities, ranging from college degrees to formal coursework, conferences and informal learning opportunities situated in practice. There are a variety of approaches to professional development, including consultation, coaching, practice, lesson study, mentoring, reflective supervision and technical assistance.

Continuing Professional Development (CPD) or Continuing Professional Education (CPE) is the means by which members of professional associations maintain, improve and broaden their knowledge and skills and develop the personal qualities required in their professional lives. CPD is defined as the holistic commitment to structured skills enhancement and personal or professional competence.

The challenge of CPD is to identify the most important competencies that need to be developed, propagated and maintained. The following are the challenges for professionals in a modern dynamic business environment:

• Commitment to professional competence

• Commitment to ethical practice: values and behaviour

• Commitment to professional responsibilities

Code of Ethics

The professional code of ethics is more stringent and demands that professionals place public interest ahead of self-interest. The importance of codifying and making known to the profession and to the general public the ethical principles that guide the work of Professionals cannot be undermined. It must be stated that ethical dilemmas occur when values are in conflict. Thus, 'Code of Ethics' states the values – a professional is expected to adhere to and embodies the ethical responsibilities of the profession. In fact, Codes of professional conduct are the tangible expressions of professionalism.
3.2 MISSION

The basic objective of any organization is to fulfill its stakeholders’ expectations. An organization’s mission brings perspective to the organization by way of defining explicitly and clearly the broader vision. A mission statement describes the very reason for the existence of an organization. The Institute conducted a stakeholder survey to gauge their expectations. The stakeholders expect the Institute to develop its members into full-fledged corporate governance professionals, capable of providing business solutions and achieving the highest position in the corporate hierarchy, by inculcating the highest level of professional values, quality education and training benchmarking with global standards.

These expectations derived from the stakeholder survey guided us in formulating the Mission Statement of the Institute, as under:

“To develop the highest calibre professionals, facilitating good Corporate Governance.”

To develop highest Calibre Professionals

The dictionary meaning of the word ‘calibre’ is: ‘a degree or grade of excellence or worth’. High caliber professionals with superior skill sets would be developed through excellence in academics, extensive training and continuous education programmes.

The Institute shall endeavour to fine tune its course curriculum from time to time to keep it current in terms of the business environment, regulatory ambience, technological advancements and developments in international trade in goods and services. Information technology would be leveraged; study material and other academic inputs would be benchmarked with global standards; there would also be a strong emphasis on quality training, both in technical as well as soft skills. Efforts would be made to create the infrastructure for establishing a dedicated campus for a six month to one year residential training for students with a focus on interface with corporates and industry. In addition, the Institute shall build upon its existing initiatives to garner international recognitions to its members to provide them market access for their services in various jurisdictions.

Facilitating Good Corporate Governance

The Institute is one of the first professional bodies in India to initiate discussion (in 1997) on corporate governance in the light of Cadbury Committee Report. Since then the Institute has
been recognized as one of the pioneers in propagating good corporate governance practices. It has undertaken a number of studies on various aspect of corporate governance and has been engaged in the capacity building of its members through programmes/seminars covering various dimensions of corporate governance. The ICSI National Award for Excellence in Corporate Governance, instituted in 2001, has assumed great recognition among corporates, regulators and stakeholders. These initiatives have further been concretized with the establishment of CSIA and collaboration with World Bank, OECD, GCGF, GRI, etc. on various aspects of corporate governance.

These initiatives have created a positive environment amongst businesses and regulatory authorities towards recognizing Company Secretaries as governance professionals.

3.3 VISION

The vision of an organization reflects the collective aspirations of its various constituents and stakeholders. It provides the organization a defined goal and enables it to formulate strategies and action plans in a structured and time bound manner to realize the vision. In line with its mission statement, the Institute adopted the following vision statement:

“To be a global leader in the development of professional specialists and in Enhancing Corporate Governance Standards”

To be a Global Leader

Global leadership may be referred to as capacity to unify a diverse workforce around a single purposeful vision, through demonstration of personal mastery, thinking globally, anticipating opportunity and using shared leadership networks. A global leader must continuously practice personal mastery and provide organizational leadership through internal/external influence. Global leaders lead matrixed, interdependent teams, enabling multiple networks of shared information.

Thus a global leader is one who thinks globally, anticipates opportunity, creates a shared vision, develops and empowers people, appreciates cultural diversity, builds teamwork and partnerships, embraces change, encourages constructive challenge, ensures customer satisfaction, achieves a competitive advantage, demonstrates personal mastery, shares leadership and lives the values.

The Institute being the only professional body with the maximum number of members amongst Company Secretaries Institute the world over has assumed the responsibility of bringing
together Company Secretaries from around the world on one platform. The efforts aimed at creating and propagating the brand CS on the international horizon, received an encouraging response with the establishment of Chartered Secretaries International Association (CSIA) having a total membership of 14 countries comprising developed, developing, emerging and least developed countries.

Efforts would be made to further strengthen the brand CSIA as a global body of Company Secretaries propagating international secretarial standards, as a think tank for debating and providing solutions to global governance issues and undertaking and publishing research findings on corporate governance.

The Institute shall further strengthen and expedite its efforts through:

- PMQ/Certification courses in areas such as International Taxation, International Arbitration, international contracts, cross border M&As, etc.
- Reciprocal arrangement and recognition with parallel institutions in other countries.
- Strengthening of Corporate Secretaries International Association (CSIA) to voice the concerns of Company Secretaries, at multilateral agencies like WTO.
- Joint programmes and exchange programmes with foreign institutes.
- Development of uniform corporate governance practices and International Secretarial Standards
- Strengthening linkages with international bodies such as OECD, World Bank, ACGF, ADB on matters of corporate governance.

**Development of Professional Specialists**

Development of professional specialist comprises the skills and knowledge an individual gains to optimize his/her professional expertise in specific fields of operations. Specialized professional development is essential to increase individual knowledge, skills, attitudes and beliefs so that they may provide enthusiastic support and resources, necessary for rendering efficient professional services. It should be such that it helps in improving the member's profile and makes them results-oriented, data driven, and constructivist in nature.

Professional development and continuing education is the hallmark of ICSI’s endeavour to develop its members as specialist professionals. The ICSI will continue to build upon the strength through:

- Subject specific short duration workshops for members.
• Specialized courses for members in new and emerging areas like Insolvency, Valuation, Foreign Trade, IPR, Banking, Insurance, Competition Law, etc.

• Regular Review of code of conduct on the basis of events taking place in the corporate sector.

• Random scrutiny of various Certificates issued by members.

Enhancing Corporate Governance Standards

The process of developing corporate governance standards would continue. The Institute would continue to work closely with international bodies and leverage the CSIA to enable its members to facilitate good governance in businesses irrespective of their origin and jurisdiction. The experience gained and lessons learnt from this collaborative exercise and other initiatives would be leveraged to equip Company Secretaries to become specialist in corporate governance. The ICSI will expedite its efforts to enhance corporate governance standards through:

• Promotion of Uniform corporate governance.

• Formulation of International Secretarial Standards

• Formulation of more secretarial standards in the areas of secretarial and compliance management

• Collaboration with international bodies like World Bank, Global Corporate Governance Forum, OECD, ICGN, ADB, Asian CG Forum etc.

• Organisation of International Professional Development Programmes for exchange of knowledge and ideas about CG practices.

• Undertaking and promoting research on corporate governance, independently or jointly with regulators and international organisations.

3.4 CORE VALUES

Core values are the expression of beliefs, followed by an individual, group or community in their personal or professional behaviour, individually or collectively. The Institute identifies for itself and its members the following core values:

• Integrity

• Ethics
MISSION, VISION AND CORE VALUES

- Reliability
- Ownership
- Being Stakeholder centric

Integrity

The ICSI’s proposed vision to be a global leader in the development of professional specialists and in enhancing corporate governance standards is a promise to the nation. It casts upon the Institute and the profession of Company Secretaries a huge responsibility to deliver upon this promise, with objectivity and integrity as core values. There is no middle path to integrity. It is also not a robe that one can put on and take off when it is convenient.

Etymologically, the word integrity derives from the Latin word ‘integer’ which means whole or complete. In this context, integrity may comprise the personal inner sense of wholeness deriving from character, courage and consistency.

As integrity conveys a sense of wholeness and strength, members shall be guided by a set of core principles that will empower them to remain consistent with high standards, viz compassion, dependability, generosity, honesty, openness, transparency, loyalty maturity, objectivity, trust, and wisdom.

Ethics

The term ethics has its origin from a Greek word “ethos”, which means character or custom—the distinguishing character, moral nature or guiding beliefs of a person, institution or a group.

Ethics in its simplest form means the sense of right and wrong. Whatever is conscientiously right is ethical; whatever is not, is unethical. In other words, ethics is the sense of right and wrong, coupled with a desire to do good in some measure for someone.

ICSI has been built on the principle of ethics and its members continuously strive to promote ethical practices, and hold the profession in high esteem, which are integral to maintaining quality and reputation of both, the Institute and its members.

The Institute, its members and the Team ICSI pledge to uphold the established principles of professional ethics, values and standards and will always promote honesty and transparency in their behaviour, practices and processes.
Reliability

Reliability is an assurance of quality of service and commitment. At ICSI, reliability is a core value reinforced by stringent processes specially focussing on quality of service, predictability and reliability. The values are an intrinsic component of work culture and sustainable growth. Quality and predictability through commitment and value added services is what would be the strongest USP of the Institute and its members.

We shall continuously build on reliability as our core value because for us, reliability is the sum total of quality service to our stakeholders.

Ownership

Ownership is synonymous with responsibility, accountability and empowerment. The idea of ownership is much more than simply a willingness to own criticism, deficiency or oversight. It is more about setting priorities, placing rightful obligations to others as high as obligations to self. To be responsible is to always do the right things in the eyes of valued stakeholders and the public at large. It is to value the trust and confidence. It is about commitment to keep a promise or make right some unintentional wrong, even when it is inconvenient to do so.

“Ownership being one of our core values, we believe that it will reduce risk, increase efficiency and contribute to goodwill, reputation and brand image of the Institute and the profession. We shall uphold this at all times, howsoever, inconvenient or however much it costs us in the short term.

Being Stakeholder centric

Stakeholders are our most valued constituency when it comes to being able to achieve our goals. We believe in constant stakeholder consultation and in translating their aspirations into actionable goals. We pride ourselves in our transparent and stakeholder focused approach as well as the trusting and collaborative relationships with them.

It will be our endeavour to constantly activate new channels and pathways to not only meet but beat the expectations of our stakeholders. This window into the future will help us to achieve sustained performance and growth.
4.1 DOMESTIC ENVIRONMENT

4.1.1 Economic and Business Environment

India, a rapidly developing and emerging economy, has witnessed unprecedented levels of economic growth along with countries like China, Russia, Mexico and Brazil. With the various economic reforms initiated by the Government in 1990s, the Indian corporate sector has been growing at a rapid pace and has become increasingly integrated with the global economy. After liberalization, privatization and globalization, there has been significant growth in the services sector and in the industrial sector. India has benefited immensely from outsourcing of work from developed countries and from a strong manufacturing and export oriented industrial base.

Having withstood the global economic recession, the Indian economy is strongly placed for a sustained recovery, along with China. The experts are of the view that the Indian economy is robust and will grow at a faster pace than other developed and developing economies. This will lead to a huge demand for skilled and professional manpower to support rapid economic growth.

(a) GDP Growth

Gross Domestic Product (GDP), a measure of a country’s overall economic output, has shown sustained growth. The GDP growth rate was 9.5% in 2005-06, 9.6% in 2006-2007, and 9.3% in 2007-08. It declined to 6.8% in 2008-09. GDP growth
was 8% in 2009-10 and 8.7 percent in 2010-11. The budget estimate for GDP growth in 2011-12 is 9%. Thus, the economy is showing a positive trend and is expected to continue to grow rapidly in the coming years.

(b) Per capita Growth

Per capita income and consumption, which are measures of welfare in general, have also shown an increasing trend. Per capita income has increased from Rs. 29,745 in 2004-05 to Rs. 40,745 in 2009-2010. The average growth of per capita consumption over the period 2005-06 to 2009-10 was 6.08%, while per capita income grew at 6.52% over the same period. This growth trend is expected to continue. With the growth in population and level of income, demand will also increase. Gradually, more and more of unorganised sector activity will come into the fold of the organised sector. This will provide immense opportunities to professionals like Company Secretaries.

(c) Corporate Sector

The current decade has witnessed sustained high economic growth. The corporate sector has become the main driver of growth in the Indian economy. The size of corporate sector both in terms of number and capital has grown fast. The number of companies has expanded from about 30,000 in 1956 to nearly 9 lakhs in 2009. According to the Annual Report 2010-11 of the MCA, the total number of companies limited by shares at work as on 31st March, 2010 was 8,72,740. These comprised 8,71,125 Non-Government companies and 1,615 Government companies. Out of 8,72,740 companies limited by shares at work, 81,926 companies were public limited and 7,90,814 were private limited companies. There are about 3,166 foreign companies in India. The total companies listed on BSE as on April 2011 were 5069 and on NSE as on April 2011 were 1544. The role of Company Secretaries will definitely grow significantly, in line with the strong growth of the corporate sector.

(d) Capital Markets

The Indian economy has seen tremendous changes in the last two decades and the changes in the next decade will be even more pronounced. The capital markets have witnessed enormous growth in the past ten years. Equity has emerged as
an important source of funding, and this has been in the form of IPO, FPO, FDI and investment by FIIs and private equity. In a report by SMC Global on the Indian public issue market, India’s corporate raised about Rs. 200,000 Crore through 385 public issues in the past decade. The report added that the pipeline is indicating a total public issue volume of about Rs. 90,000 crore in 2011 itself. Analysts are of the view that this momentum will continue in the coming years. The role of Company Secretaries will be critical for raising and managing equity capital for the growth of the Indian corporate sector.

(e) **MSME**

Micro, small and medium enterprises (MSMEs) have an important role to play in India’s economic and social development. The MSME sector nurtures and encourages entrepreneurship and provides more employment opportunities than other sectors. According to the Annual Report 2008-2009 of Ministry of MSME, this sector contributes 8% of the country’s GDP, 45% of the manufactured output and 40% of its exports. The small-scale sector has grown rapidly over the years. The growth rates during the various plan periods have been very impressive. The number of small-scale units has increased from 8.7 lakh units in 1980-81 to over 285.16 lakh units in 2008-09. Thus the MSME sector is growing rapidly and poised to grow further in the future. ICSI must focus on enhancing the visibility of the profession in this sector both at urban level and semi urban levels, through close rapport with state governments, local bodies and MSME associations.

### 4.1.2 Legal and Regulatory Environment

An effective and conducive legal and regulatory environment is very important for the economic development of a country. Laws and regulations have a direct bearing on economic development. The legal and regulatory framework should be such that it supports business expansion, innovation and competitiveness. In India several changes and innovations are being made in the legal and regulatory framework to foster economic growth and development.

(a) **Emergence of New Forms of Corporate Entities**

Limited Liability Partnership (LLP) and One Person Company (OPC) are new forms of corporate entities providing alternative forms of business entities to the entrepreneurs. LLP Act is already in place and over 5000 LLPs have been
incorporated. The new Companies Bill, 2009 contains the provisions for OPC providing a corporate platform as an alternate to the proprietorship form of business entity. These developments will enhance the corporatisation of the Indian business and will provide greater opportunities for Company Secretaries at all levels, including smaller towns and cities.

(b) Governance

As per the “India Vision 2020” report of the Planning Commission of India, the overall process of governance will be greatly improved by making Government agencies of all types at all levels more responsive and accountable to the public as customers, evolving mechanisms to increase transparency and increasing efficiency through E-governance and computerisation of information systems.

(c) Market Oriented Regulatory Ambience

The process of Legislative Reforms initiated by the Government in July 1991 to adopt the changing policy orientation and to fulfill its obligations under WTO has resulted in the enactment of various new laws and amendments to existing legislations. The reforms process is continuing to keep pace with the policy orientation and demands of emerging corporate paradigm. Laws are being made more liberal and user friendly but their complexity and volume will increase. This will require Company Secretaries to update their knowledge and attitude to understand and appreciate the nuances of the new laws.

Some of the new legislations enacted since July 1991 which have opened new opportunities for Company Secretaries, are enumerated below:

(i) Securities and Exchange Board of India Act, 1992;
(ii) Depositories Act, 1996;
(iii) Arbitration and Conciliation Act, 1996;
(iv) Telecom Regulatory Authority Act, 1997;
(v) Trade Marks Act, 1999;
(vi) Foreign Exchange Management Act, 1999;
(vii) Insurance Regulatory and Development Authority Act, 1999;
(viii) Central Electricity Regulatory Commission Act, 1999;
(ix) Information Technology Act, 2000;
(x) Designs Act, 2000;
(xi) Energy Conservation Act, 2001;
(xii) Protection of Plant Varieties and Farmer’s Right Act, 2001;
(xiii) Securitisation and Reconstruction of Financial Assets and Enforcement of Security Act, 2002;
(xiv) Prevention of Money Laundering Act, 2002;
(xv) Competition Act, 2002;
(xvi) Electricity Act, 2003;
(xvii) Right to Information Act, 2005;
(xviii) Special Economic Zones Act, 2005;
(xix) National Tax Tribunal Act, 2005;
(xx) Micro, Small and Medium Enterprises Development Act, 2006;
(xxi) Limited Liability Partnership Act, 2008;

(d) **The Companies Bill, 2009**

The Companies Bill 2009, which was introduced in the Lok Sabha in August 2009 to replace the existing Act will have far-reaching implications for the corporate environment in India and will bring new opportunities as well as challenges for the profession of Company Secretaries. The Bill recognises the Company Secretary as a key managerial person, with greater and clearly specified functions and responsibilities. As the focus will be on governance through self-regulation, the onus will be on professionals like Company Secretaries to adhere to the provisions in letter and spirit.

(e) **E-Governance : MCA-21**

The E-governance initiative of the Government of India, i.e. MCA 21 has been a great facilitator to the profession. Use of technology has saved precious time and resources of the members, which can now be directed towards expansion and
quality of services. Technology will see further advancements and will make the processes of MCA faster, transparent and accountable. Within the next decade, e-governance will pervade all areas of government functioning.

(f) **International Financial Reporting Standards (IFRS)**

The process of integration of the Indian economy with the world economy is moving ahead. IFRS is a prerequisite to attracting foreign capital and facilitating the globalisation of Indian business. As the Government is committed to the transition of Indian companies from Indian Generally Accepted Accounting Principles (GAAP) to International Financial Reporting Standards (IFRS), the implementation of IFRS will require huge skilled manpower. The transition from Indian GAAP to IFRS will present immense opportunities, at the executive, advisory and regulatory levels.

(g) **XBRL**

The Ministry of Corporate Affairs has now mandated certain class of companies to file balance sheets and profit and loss account for the year 2010-11 onwards by using XBRL taxonomy. The Financial Statements are now required to be filed in XBRL format on the basis of Taxonomy on XBRL thereby facilitating in-depth and timely analysis of data. This will provide a large opportunity for professionals, including Company Secretaries.

4.1.3 **Technological environment: Information Technology – More in store**

The Information Technology (IT) revolution has transformed the way the government functions, businesses are conducted, services are provided and information is transmitted. No surprises if more miraculous developments, which are not even conceived today, emerge in the next decade.

E-governance will be the hallmark of government functioning and interface with the public. Human interventions will be reduced. E-tendering, e-voting, e-filing, e-prosecution, e-policing and so on have already started in one form or the other. This process will expand to encompass all branches of national, state and local government.

Unique Identification (UID) and such other identity mechanisms will become the instrument of citizens’ interface with the government and its agencies and a control point for all their activities from birth certificate to death certificate.
The mobile phone, in its smallest form, may replace computers and laptops and will be the instrument for all future communications, verbal or electronic, and transactions in the areas of banking, payments, insurance, education and so on.

Communication will increasingly be digital, and the speed with which information is transmitted will increase. This will make for faster and more transparent decision making. Social networking and social media will change the way knowledge is managed and shared. However, management and integration of all this data, information and knowledge will present challenges, as human intervention will get minimized. New methods, techniques, and initiatives will be needed to acquire, manage and transmit knowledge.

4.1.4 Other Aspects

(a) Corporate Governance and Corporate Social Responsibility

Today, there is a greater understanding and appreciation that corporate strategy can be crafted to encompass a larger picture that not only enhances competitiveness but also ensures responsible and sustainable growth. Only those businesses will survive and grow in the long run which are transparent and socially responsible and responsive in their workings. Being corporate governance professionals, regulators depend and rely on Company Secretaries for implementation of good governance practices. Therefore, Company Secretaries have a vital role to play as a bridge between society and business.

(b) Professional Ethics

In recent years, the world has seen some of the worst instances of misgovernance due to human greed and unethical practices. These scams have shaken the trust of stakeholders and the larger society.

Professions, the world over, have accorded the highest priority to professional ethical standards in the dealings and relationship of professionals with their employers, employees, Government, fellow professionals and the public at large. The fundamental principles which would take the profession and professionals on a higher pedestal include:

• integrity;
• professional independence;
• professional competence;
• objectivity;
• ethical behaviour;
• conformance to technical standards; and
• confidentiality of information acquired in the course of professional work.

4.2 GLOBAL ENVIRONMENT

Increasing globalisation will open new areas of opportunities for professionals like Company Secretaries. Company secretaries will be exposed to new challenges like IFRS, international taxation, cross-border mergers and amalgamations, foreign funding etc. In this global environment, Company Secretaries will have to attain the highest benchmarks if they are to become global professional firms.

4.2.1 Globalisation of Professional Services

General Agreement on Trade in Services (GATS) under WTO applies in principle to all service sectors except “services supplied in the exercise of governmental authority”.

The Institute embarked upon ‘Spreading the Wings Programme’ in the year 2004 and the efforts in this direction have brought to the profession more focus, visibility and acceptability among the global community of Company Secretaries. Regular interaction with professional bodies of Company Secretaries abroad, setting up of Company Secretaries International Association (CSIA), International Federation of Company Secretaries (IFCS) and organisation of International Professional Development Fellowship Programmes have been the driving force behind the recognition of Company Secretaries as governance professionals not only among the corporate and regulatory authorities but also multilateral bodies like World Bank, OECD, GCGF, ICGN etc.

With the expansion of services sector in India, it becomes important for the growth of the profession of Company Secretaries that they are able to render their services in other jurisdictions.

The profession of Company Secretaries does not figure under the Services Sectoral classification list of WTO but the Institute is constantly pursuing with the Ministry of Commerce and Industry to create a separate head "Corporate Governance, Compliances and
ENVIRONMENTAL SCAN

Secretarial Advisory Services” under the Services Sectoral classification list of WTO. Simultaneously, the Institute is also pursuing with Company Secretaries Institutes in other jurisdictions to enter into bilateral Mutual Recognition Agreement (MRA)/Memorandum of Understanding (MOU) for Mutual Recognition of qualifications and to provide market access for its members for rendering their services in other jurisdictions.

Presently the Institute is in discussion with the Company Secretaries Institutes in Singapore and Malaysia for MRA and proposing similar arrangement with its counterparts in New Zealand, Canada, Australia and Thailand. Such initiatives auger well for the profession of Company Secretaries and should be pursued vigorously to provide market access to Company Secretaries in other jurisdictions.

4.2.2 FDI and FII

The “India Vision 2020” report of the Planning Commission of India states that the enlargement of the international capital market will open up increasing opportunities for India to attract foreign direct and institutional investment. Foreign direct investment (FDI) expanded globally from $159 billion in 1991 to $1,270 billion in 2000. During this period, FDI flows to India increased six-fold to $2.3 billion, which represents less than 0.2 per cent of global FDI. With improvements in infrastructure, elimination of procedural barriers and mobilisation from India’s expatriate population, there will be significant increases in inflows of FDI by 2020. Likewise, multinational investments in India will also be large especially in technology-intensive sectors. This will lead to increase in corporate activity and Company Secretaries will definitely have an increasing role in capital formation and financial activities.

4.2.3 Cross Border Mergers & Acquisitions

Cross border mergers and acquisition in the corporate sector have increased many fold. The total value of top ten deals made by Indian companies in the last decade was about US $21,500 million which is more than double the amount involved in US companies’ acquisition of Indian counterparts. Indian companies today are aggressively looking at North American and European markets to spread their wings and become global players. Indian IT companies have a strong presence in foreign markets and other sectors like steel, pharmaceuticals, automotive, chemicals and fertilizers, oil and energy and consumer goods are also growing rapidly.

Recognition from the government and acceptability by the trade and industry must be
constantly on the agenda. Higher acceptability can be achieved only through quality and competence.

4.3 OPPORTUNITIES

The new opportunities for an organization can be assessed from the logical analysis of present and future environment in which the organization exists and functions. The environmental scan presents the following opportunities before the Institute and profession to foster growth in the next decade:

4.3.1 Strong demand factors

Domestic and global factors are robust enough to support strong demand for Company Secretaries in the coming decade. These factors include:

- Exponential growth of the Indian corporate sector
- Sustained GDP and Per Capita Income growth
- Vibrant capital market with broadening investor base
- Huge inflows of FDI and FII
- Cross border corporate activities
- Big MSME sector expanding at a rapid pace
- Growth in the volume and complexity of laws

4.3.2 New thrust on Corporate Governance and Corporate Social Responsibility

Government, regulators, lending institutions, credit rating agencies, domestic and foreign investors, consumers and new age entrepreneurs are giving corporate governance and CSR initiatives high priority. The corporate sector is realising the importance and necessity of good governance practices and social responsiveness for sustained growth. This provides an opportunity to members to provide a leadership role in these areas.

4.3.3 Entry into new departments

Traditionally, members have been providing their services in secretarial and compliance management. Now members are slowly and steadily expanding into new areas. There are ample opportunities for the members in new areas such as:

- Project finance and loan syndication
- Taxation – Direct and Indirect Taxes
4.3.4 Diversification into new areas / sectors

Company law has been the forte of Company Secretaries. With the growth of the capital market, they have acquired dominance in capital market and financial services related laws. Some members, though few in number, are providing services in new and emerging laws/sectors/industry segments where the opportunities are substantial. These areas include:

- Intellectual Property Rights
- Banking and Insurance
- Foreign trade and foreign exchange management
- Rehabilitation and reconstruction of sick companies
- FDI and other foreign investments
- Merchant banking services
- Registrar and transfer agent services
- Telecom laws and regulations
- Electricity laws and regulations
- Taxation – Direct and Indirect Taxes
- Investment banking
- Securitisation and asset reconstruction
- Mergers and acquisitions
- Limited Liability Partnerships
• Labour laws
• Environmental laws
• Cooperative societies
• NGOs
• Education

4.3.5 Potential Opportunities in the next decade

It is expected that there will be new areas that will have potential opportunities for members. Among these are:

• NCLT
• Competition law
• Insolvency law
• Rehabilitation and revival of sick companies
• Valuation
• IT and cyber laws
• Private equity
• KPOs and LPOs
• Infrastructure and real estate

4.3.6 Institute as a Centre for Learning in selected disciplines

The Institute is considered as a Centre for Learning in selected disciplines like Company Law and other corporate legislations and is actively involved in the consultative process initiated by the Government and the regulators.

4.3.7 Emergence of LLP form of organisation

Limited Liability Partnership Act has provided an opportunity to members to form large and multi-disciplinary firms with adequate resources and infrastructure to serve a larger client base and offer services across a broader spectrum of new and emerging areas.

4.3.8 Global professional services

Opportunities exist for members of the Institute to render professional services to:

• Global clients who want to do business or make investment in India
ENVIRONMENTAL SCAN

- Domestic clients who want to expand business outside India
- BPO and KPO activities involving corporate laws
- Serve in countries outside India

4.3.9 Institute to be a leader for Afro-Asian Countries on Corporate Secretaries Profession

There is a bright opportunity for the Institute to lead Afro-Asian Countries in the matter of developing the Company Secretaries profession on sound lines, by establishing branches and institutions in those countries.

4.3.10 Institute to serve as a consulting agency

There are significant opportunities for the Institute to serve as a consulting agency for national and international bodies such as World Bank, Asian Development Bank, OECD etc. in matters relating to Corporate Law, Corporate Management and Corporate Governance.

4.3.11 Future inflow of students

Given that India is a large country, with a large number of students passing out from schools and colleges every year, the profession will continue to attract students in larger numbers. This reservoir of future students, along with those currently registered, augur well for the growth and development of the profession.

4.4 CHALLENGES

It is important to identify possible future challenges so that the Institute can make strategies to capitalize on its strengths and to develop required knowledge and skills to turn the challenges into opportunities. During the environment scan, several challenges, both domestic and global, facing the Institute and the profession, have been identified:

4.4.1 Corporate mishaps and frauds

Corporate mishaps and frauds pose a challenge to the credibility of every professions. The potential for such incidents will be more in the next decade in view of cut-throat competition, over ambition and greed.

4.4.2 Competition from other professions

Competition from professions within and outside the country will be a major challenge. The
profession has to focus on its mainstream business and develop skills among its members to not only maintain but also build upon its strategic importance to the industry vis-à-vis the other professions.

4.4.3 Technological changes

Technological changes in the areas of legal compliance, information systems, teaching methodology and decision making will be very rapid and crucial for the growth of profession as well as for the growth of an individual professional. This will be a call for the Institute and its members to fully leverage technological advances to sustain the competitive edge.

4.4.4 Reduced dependence on professionals

The professionals’ involvement in corporate operations may further reduce due to E-governance and use of technology. Therefore, professionals will have to diversify and acquire relevant skills.

4.4.5 New players in the education field

The field of education will be opened to domestic private players and foreign institutions. Hence, students will have more options to choose from.

4.4.6 Conventional Approach

The conventional thinking of being only a compliance person may, in all probability, be disastrous in future, in view of government emphasis on self-regulation, e-governance, transparency and a facilitative regulatory regime. The challenge lies in bringing about changes in the thought process, acquiring suitable skills and taking entrepreneurial risks.

4.4.7 Adapting to Deregulation/Simplification

Regulatory and procedural simplification will require a proactive mindset, to be able to adapt to a more liberal environment. Too much dependence merely on legal recognition will not help. Industry requires value addition from the members. Therefore, members must develop their inherent strength to survive and grow on the basis of value addition and contribution to the industry rather than legal prescriptions. Government patronage and recognitions should not be taken for granted.

4.4.8 Quality of members and services

In some quarters, the stakeholders raised concerns about the quality of members and their
services. Coaching, examination and training systems must be geared up to ensure the quality of the members and the quality of their services.

4.5 CHAPTER SUMMARY

Consequent to economic reforms initiated by the Government of India in 1990s, the Indian corporate sector has been growing at a rapid pace and steadily integrating with the global economy.

The opportunities as well as challenges for the profession of Company Secretaries are expected to grow substantially in the next decade in light of present and future environmental indicators:

Domestic Environment

- Targeted double digit GDP growth
- Growth in per capita income
- Expanding corporate sector within and beyond the borders
- Emergence of new forms of corporate entities like LLPs and OPCs
- Sharp focus on self-regulation and transparency in governance
- E-governance
- Vibrant capital markets
- New Companies Bill
- International Financial Reporting Standards (IFRS)
- Strong and expanding MSEM sector
- Focus on Corporate Governance and CSR initiatives
- Advancing Information Technology
- XBRL

Global Environment

- Globalisation of professional services under the aegis of WTO/GATS
- International networking with sister professional bodies through Associations, MOUs and Mutual Recognition Agreements
- Growth in foreign capital inflows
- Cross border mergers and acquisitions
Opportunities

• Strong demand factors - growth of Indian corporate sector, cross border corporate activities, expansion of MSME sector, etc.
• Sharp focus on corporate governance and CSR
• Entry into new departments like Finance, Taxation, Risk management, HR, etc.
• Diversification into new areas/sectors like IPRs, Banking and insurance. FEMA, Merchant banking, etc.
• Opportunities in competition laws, valuation, insolvency laws
• Emergence of LLPs
• Increasing scope of professional services in international markets
• Opportunity for the Institute to serve as a consulting agency
• Future reservoir of students

Challenges

• Increasing corporate mishaps call into question the credibility of the professions
• Competition from other professions
• Rapid technological changes
• New players in the education field
• Conventional Approach
• Ever increasing corporate expectations from professionals for value creation.
CHAPTER 5
RESOURCE AUDIT

5.1 RESOURCES AVAILABLE

5.1.1 Knowledge and Information
The Institute has a vast pool of knowledge, and this is continuously increasing and widening. The Institute comes out with many publications every year. It has also issued secretarial standards and guidance notes. The Institute has a monthly journal, Chartered Secretary, which provides informative articles on contemporary topics, prompt reporting of Government Notifications, judicial pronouncements, etc. ICSI-CCGRT undertakes research studies on various sectors having business prospects for Company Secretaries, like Commodities Market, Credit Rating Agencies, Insurance Industry, Mutual Funds, Portfolio Managers, Registrar to an Issue and Share Transfer Agents, Stock Brokers & Sub-Brokers, Stock Exchanges, Venture Capital Fund etc. The Institute also conducts a range of seminars, webinars, professional development programmes, investor awareness programmes etc. to disseminate knowledge.

5.1.2 Physical Infrastructure
The Institute has a well organized management structure for efficient and smooth functioning. The organizational structure of the ICSI is presented in the following diagram.
Council

The affairs of the Institute are managed by the Council of the Institute consisting of fifteen elected members and five nominees of the Central Government. The Council elects a President and Vice President for a period of one year. The Council has constituted the following committees and boards.

- Executive Committee
- Finance Committee
- Examination Committee
- Professional Development Committee
- Training & Educational Facilities Committee
- Practising Company Secretaries Committee
- ICSI-CCGRT Management Committee
- PMQ Course Committee
- Information Technology Committee
- Co-ordination Committee
- Corporate Laws and Governance Committee
- Capital Markets Committee
- ICSI Building Committee
- Disciplinary Committee
RESOURCE AUDIT

- Board of Discipline
- Secretarial Standards Board
- Editorial Advisory Board
- Expert Advisory Board
- Quality Review Board
- Peer Review Board

Regional Councils

The Institute has its headquarters at New Delhi and four Regional Councils at:

- Chennai - SIRC (Southern India Regional Council)
- Kolkata – EIRC (Eastern India Regional Council) and
- New Delhi – NIRC (Northern India Regional Council)
- Mumbai – WIRC (Western India Regional Council)

All the four Regional Councils provide valuable support and assistance to the Council by carrying out its activities and functions with zeal and enthusiasm.

Chapters

The Institute has 68 Chapters spread all over India to facilitate provision of services to members and students.

Eastern Region

- Bhubaneswar
- Dhanbad
- Hoogly
- Jamshedpur
- North East (Guwahati)
- Patna
- Ranchi

Northern Region

- Agra
- Ajmer
- Allahabad
- Alwar
- Amritsar
- Ghaziabad
- Gurgaon
- Jaipur
- Jalandhar
- Jammu
- Ludhiana
- Meerut
- Modinagar
- Noida
- Shimla
The ICSI has established the Centre for Corporate Governance, Research and Training at Navi Mumbai. This organization acts as a catalyst in promoting the professional development of the Indian corporate sector. It does this through qualitative research and high-level corporate training. ICSI-CCGRT has well-developed infrastructure facilities comprising a well-equipped 180 seat auditorium, with ultra modern audio visual systems and acoustics, state-of-the-art training and conference halls of varying capacities, and a residential wing comprising 22 air-conditioned, self-contained rooms.

5.1.3 Human Resources

EMPLOYEES

The Institute has over 250 employees all over India.
5.1.4 Finances

The Institute is in a sound financial position. A surplus of Rs. 3056.97 Lacs was recorded for the year 2009-10, as compared to Rs. 2285.27 Lacs in the previous year. The Capital Reserve stood at Rs. 159.55 Lacs as on March 31, 2010, as against Rs. 124.50 Lacs on March 31, 2009. The General Reserve stood at Rs. 9308.29 Lacs as on March 31, 2010, as against Rs. 6213.27 Lacs on March 31, 2009.

5.2 RESOURCE ADEQUACY

5.2.1 Growth of the Profession

The ICSI has a total of 23335 active members and over 2,30,000 students who are pursuing, at various stages, the Company Secretaryship course. Over the last decade, this growth has been very rapid. The number of students enrolled has grown from 24386 in 2000-01 to 76608 in 2009-10, a growth of 314%. Similarly, the number of members registered annually has increased from 524 in 2000-01 to 2014 in 2009-10, representing a growth of 384% over the decade. It is expected that the number of students and members will continue to grow at a similar pace in the next decade. This will call for adequate manpower and infrastructure resources to provide world-class services and facilities.

The ICSI has a presence in 153 cities, through 4 Regional Councils, 68 Chapter and 81 Counsellors. The ICSI should target a presence in most of the cities having a population of 5 lacs or more, over the next decade.

5.2.2 Human Resources

- Adequate manpower shall be employed at Regional Councils and Chapters to cater to the growing number of members and Students;
- Critical and important policy matters shall be handled by regular manpower, while routine activities shall be outsourced, keeping in view the comparative advantages and disadvantages;
- Continuous training will be provided to the staff, in order to update skills, improve efficiency and meet the challenges of growth in a changing environment.

5.2.3 Physical Infrastructure

- Regional and Chapter offices shall have adequate office space at suitable places in the city, providing proper visibility and easy accessibility.
• Proper civil amenities – drinking water, sanitation, wash rooms, furniture and fixtures, furnishing, lighting etc. shall be provided at each Regional and Chapter office.

• Regional and Chapter offices shall be provided with computers, laptops, fax-machines, printers, telephones, power back-up equipment, projectors, video conferencing equipment and other hardware based on need, as well as the availability of resources.

• Each Regional and Chapter office shall be provided with the IT software required for effective working and for centralized connectivity for serving members and students.

• Physical library and E-library facilities shall be provided to members and students.

5.2.4 Outsourcing

The ICSI shall focus on developing its core business, i.e. development and regulation of Profession of Company Secretaries, while non-core and routine activities will, wherever feasible, be outsourced. This should improve overall productivity. However, the following guidelines and precautions will be followed while outsourcing any process or activity:

• Outsourcing will be given only to competent, experienced, financially sound and reputed agencies, having a proven track record and expertise in the relevant field;

• Overall control will be retained with the Institute and the quality of delivery will be ensured through periodic monitoring, feed-back, follow-up and audits;

• A cost-benefit analysis will be done before outsourcing any activity or process.

5.3 STRENGTHS

5.3.1 Statutory Recognition

The Institute of Company Secretaries of India has been constituted under an Act of Parliament, i.e. Company Secretaries Act, 1980. This statutory status provides inherent strength to the profession and to the Institute.

5.3.2 Global and National Leader to promote Corporate Governance

Recognizing the fact that Corporate Governance is key to the development of the corporate
sector, the Institute has adopted a farsighted vision. The Institute has taken a number of initiatives in this direction:

(a) **ICSI Vision**

“To be global leader in development of professionals specializing in corporate governance”

(b) **ICSI Definition of Corporate Governance**

ICSI has taken a lead step in defining Corporate Governance:

“The application of best management practices, compliance of law in letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility, for sustainable development of all stakeholders.”

(c) **ICSI Initiatives**

- **ICSI has set up the CCGRT** : The Centre for Corporate Governance, Research and Training has been set up to act as a catalyst organization for facilitating professional development in the Indian Corporate Sector, through qualitative research and high-level corporate training.

- **ICSI National Award for Excellence in Corporate Governance** was instituted by the ICSI in 2001 to identify, foster and reward the culture of promoting global best practices of corporate governance among Indian companies. Each year, the award is conferred upon the two best-governed companies and the ‘ICSI Life Time Achievement Award for Translating Excellence in Corporate Governance into Reality’ is bestowed on an eminent personality. The Institute marked the year 2010 as the start of a decade of redefining excellence in corporate governance.

- **PMQ Course in Corporate Governance** : ICSI has launched a Post Membership Qualification Course in Corporate Governance to enable its members to gain acumen, insight and thorough expertise in corporate governance.

- **New PMQ Courses** : As part of capacity building of its members, the Institute is shortly launching two new PMQ courses namely, PMQ Course in Competition Law and PMQ Course in Corporate Restructuring and Insolvency.
• **Secretarial Standards and Guidance Notes** : As a pioneering initiative, ICSI has been issuing Secretarial Standards to integrate, harmonize and standardize the diverse secretarial practices prevalent in the corporate sector. So far ICSI has issued 10 Secretarial Standards. The ICSI has also issued Guidance Notes on Secretarial Standards and other subjects relevant to the profession of Company Secretaries.

• **Corporate Governance Research** : The Institute regularly brings out publications of interest to members and the corporate sector to inculcate the culture of good governance. The major publications of ICSI in the area of corporate governance are Corporate Governance Modules of Best Practices and Business@Governance and Research study on Independent directors and CSR.

• **Directors Development and Capacity Building Programmes** : Recognizing that leadership development in the boardroom is the key driver for good governance, the Institute organizes directors’ development programs. The Institute also conducts extensive programmes, in India and abroad, aimed at strengthening specialization in corporate governance. The Institute is also organising a Corporate Governance Week and Corporate Governance Conclave in 2011.

• **Investor Education and Awareness** : Committed to the cause of investor education, ICSI is actively engaged in activities relating to investor awareness and education.

• **Founder member of National Foundation for Corporate Governance (NFCG)** : The ICSI is one of the four founder trustees of National Foundation for Corporate Governance, along with MCA, CII and ICAI. The vision of NFCG is “to be a Catalyst in Making India the Best in Corporate Governance Practices”.

• **Founder member of Corporate Secretaries International Association (CSIA)**: ICSI is a founder member of Corporate Secretaries International Association, along with the Chartered Secretaries Institutes of Australia, Hong Kong, Malaysia, Singapore, South Africa, UK and Zimbabwe. CSIA was launched in March 2010 and has issued ‘Twenty Practical Steps to Better Corporate Governance’.
5.3.3 Students Trust and Confidence

Students trust that the CS Syllabus and CS qualification will provide them good career opportunities and status in society. This trust is the foundation of the profession. Students perceive CS as a professional and specialized qualification, different from other qualifications. This high level of trust and confidence is reflected in the progressively larger number of students, from various parts of the country, registering for the Company Secretaryship course.

5.3.4 Trust and Confidence of the Government and Regulators

The profession has been able to develop rapidly, due to the trust and confidence consistently reposed by the Government and the regulators in the profession of Company Secretaries. Recognition in the Companies Act, 1956 has been a positive factor in the growth of the profession.

Regulators other than the MCA, and quasi-judicial authorities, have also reposed trust in the profession through various recognitions and authorisations. SEBI, Stock Exchanges, CBEC, State VAT Authorities, RBI etc have recognised the profession for various certification and representation purposes.

5.3.5 Industry confidence, Recognition and Brand Value

While recognising and appreciating the role being played by Company Secretaries in the areas of compliance management, good governance practices and board processes, industry expects Company Secretaries to play an active role in the areas of fund management, wealth creation, business strategies, indirect taxes and risk management.

Industry appreciates the professional attitude and punctuality of the Company Secretaries and finds them trustworthy.

Considering the fact that this profession is the youngest among professions of its kind, the acceptability and brand value it has been able to create in the industry is commendable.

5.3.6 Proximity to the Board and top management

The entry point of a Company Secretary in a company is generally at the middle level. They are expected to attend Board Meetings from the time of appointment. As a result, they are able to get acquainted with the top management at an early stage, as compared to other professionals. The opportunity to come closer, observe and understand the functioning of the Board is a significant advantage when it comes to career progression.
5.3.7 Wider Range of Services

The members are slowly, but steadily diversifying into new areas such as FEMA, Project finance, IPR, Indirect taxes, foreign trade, NGOs, trusts, etc. Members are also appearing before regulators like DGFT, FIPB, SIA, BIFR, SAT, IRDA, TRAI, TDSAT, ERC, and direct and indirect tax authorities.

5.3.8 Unique and attractive course

The Company Secretaryship Course is unique in all its dimensions. Students from all streams, viz science, commerce or humanities can pursue and successfully complete this Course.

The Course being cost-effective, and with a nominal fee structure, affords an opportunity to persons from various economic strata of society to pursue the Course.

Factors such as a distance-learning model, flexibility of time taken to complete the course, etc. makes the course attractive.

5.3.9 Contemporary and Dynamic course contents

The contemporary, all-encompassing and dynamic nature of the curriculum enables students to become complete corporate managers. Regular updating of the syllabus has given an enhanced image to the course and to the profession.

The comprehensive syllabus and course content have been appreciated by all the stakeholders surveyed.

5.3.10 Strong training support

The students are supported and their skills are augmented during the Course by well designed training programmes. The training in practical aspects, IT skills, personality development, professional attitude, communication skills, interaction with industry and regulators, etc. transform students into complete corporate professionals.

5.3.11 Professional Development and Continuing Education Programmes

The members are provided the opportunity to upgrade their knowledge, skills and capacities through round-the-year workshops, seminars and conferences.

The Institute provides academic support through subject specific updates and publications from time to time, for the guidance of members.
The Institute’s initiative in starting Post-membership Qualification in emerging areas such as Corporate Governance, Restructuring & Insolvency and Competition Law will open new opportunities for its members to build on their capabilities.

5.3.12 Democratic governance

The profession is governed by democratically elected representatives at the Central Council, Regional Council and Chapter levels. The Government nominated members at the Central Council level bring to the table a wider perspective and experience, both of which are necessary for the growth of the profession. There is excellent team-work, and office bearers at all levels work hard to promote the growth and development of the profession.

5.3.13 Efficient and effective administration

It has an almost unanimous view, in several quarters, in addition to members and students belonging to the Institute, that the overall administration of the Institute is efficient and responsive.

5.3.14 Credible performance by members

The image of the profession is reflected in the stature of its members. The impressive and credible performance by a large number of members of the Institute in corporate management has given a positive image and visibility to the profession and the Institute, among Government, the corporate sector and the general public.

5.3.15 Visible presence in corporate sector

The very nature of duties and responsibilities of a Company Secretary has given them high visibility in the organizational hierarchy of every company. Their presence at the Board and general meetings, and their role as a link to internal and external stakeholders, has helped to differentiate them.

5.3.16 Efficient Disciplinary Mechanism

The Institute has in place an efficient disciplinary mechanism to deal with complaints about professional and other misconduct. The complaints received are inquired into and disposed off expeditiously. There are very few complaints pending.

5.3.17 Examination system

The totality of the examination system, including aspects such as organizational arrangements, maintenance of secrecy, efficient and consistently smooth conduct of
examinations, and strict adherence to the dates of examinations and declaration of results, has earned high marks from the stakeholders.

5.3.18 Sound financial position

The Institute is a self-funded body and does not receive any grant from the Government. Through prudent financial management, the Institute has attained and maintained a sound financial position over the years.

5.3.19 Chartered Secretary and other publications

Starting off as a medium of communication of the Institute and as a house journal to update the professional knowledge of its members, the journal ‘Chartered Secretary’ has a wide readership, reaching far beyond the Institute’s immediate community. It is considered a unique professional magazine, one that has earned laurels and credit for the Institute. In fact, the journal, ‘Chartered Secretary’, has played a significant role in increasing the Institute’s profile.

5.4 WEAKNESSES

5.4.1 Composition of students

- The course is considered suitable for students having a commerce background. It is seen from the survey of 3500 students, that 80% of them have a commerce background.
- Student registration, between various regions, is unevenly distributed.

5.4.2 Awareness

Students, particularly in Tier II and Tier III cities, need to be reached out to in a more focused way.

5.4.3 Infrastructure commensurate with Growth of Students and Members

The infrastructure facilities provided by the ICSI at the Chapter/Regional and National levels, need to be upgraded, in line with the growth in number of students and members.

5.4.4 Course Content

The course content, though appreciated by students and members, needs to be revamped in order to:

- Impart in-depth knowledge of the subjects;
RESOURCE AUDIT

- Provide insight into practical applicability;
- Develop multi-tasking abilities;
- Improve communication and presentation skills;
- Inculcate managerial skills, including leadership qualities, inter-personal relationship skills, and team work;
- Promote a value addition orientation.

5.4.5 Revamping of examination system

Modern methods and technology need to be incorporated into the examination system, to cope with the increase in the number of students.

5.4.6 Training systems to be robust

The training system needs to be revamped to equip new members with a positive attitude, business orientation, broad vision, communication skills, drafting skills, practical orientation, corporate etiquette, etc.

5.4.7 Placement Mechanism to be strengthened

The placement mechanism, at HQ and Regional levels, needs to be strengthened to match the increasing number of students and the higher expectations of members.

5.4.8 Finance & Accounts and Taxation to be strengthened

Finance, accounts and taxation are fields closely related to the CS profession. A sound working knowledge of these areas is a must for members for discharging their duties as Company Secretary, whether in employment or in practice.

5.4.9 Continuous coordination with trade and industry

The interface with trade and industry needs to be made more intensive. A better understanding of the needs of trade and industry will help the Institute to bridge the gap between the expectations of industry and the product of the Institute.

5.4.10 Global perspective

With globalization, members are required to deliver services in the areas such as cross border corporate activities, international contracts, acquisitions and takeovers, international
arbitration and conciliation, international taxation, issue of GDRs and IDRIs, raising of funds from foreign investors, etc. Therefore, a global perspective is required at each stage, in syllabus, education, training and professional development.

5.1.11 Strengthening the Practice Side

The practice side has to be strengthened. This can be done through securing more recognitions, and diversification into new and specialized areas of practice.

Further, there is a need to encourage the formation of large firms of Company Secretaries.

5.4.12 Quality and entrepreneurial approach

Industry and regulators felt the need for improvement in quality, as well as inculcating a more entrepreneurial and risk-taking mindset.

5.4.13 Self Initiative

Industry has opined that there is greater need for individual capacity building, and developing a sounder base of knowledge, skills and self-initiative. There is need to sensitize and create awareness among members of the need to develop such capacities and skills.

5.4.14 Involvement of senior members

The profession has vast resources by way of knowledge, expertise and experience gained by its senior members over the years. There is a need to find ways to involve senior members in various activities and initiatives of the Institute, so that their pool of experience can be deployed for the growth and development of the profession.

5.5 CHAPTER SUMMARY

Resource Audit

The affairs of the ICSI are managed by the Council. The Institute has four Regional Councils and 68 Chapters to cater to the needs of the students and members across the country. The Council is assisted and supported by a Secretariat headed by the Secretary and CEO. The Secretariat has 9 departments to discharge the various functions of the Institute like academics and professional development, students' services, members' services, examinations, finance and accounts, training, human resources development, etc.

The ICSI has established a Centre for Corporate Governance, Research and Training at Navi
RESOURCE AUDIT

Mumbai to promote qualitative research in corporate governance and to provide high quality corporate training.

There has been a rapid growth in the number of members and students in the last decade. This trend is expected to gather momentum over the next decade. Therefore, the development of skilled manpower and infrastructure facilities will be vital in order to sustain the growth momentum.

This will call for real time, state-of-the-art services to stakeholders. For this purpose, adequate manpower resources, with the right capacities and skills, need to be created. Furthermore, infrastructure facilities, with special emphasis on IT facilities, need to be improved and augmented at all levels. Non-core and routine activities will be outsourced, with due attention to cost–benefit, quality of services and security.

Strengths

- Statutory recognition under Company Secretaries Act 1980 and Companies Act, 1956
- Leader in promoting corporate governance and compliance management
- Students' trust and confidence
- Trust and confidence of the regulators
- Industry confidence and recognition of brand value
- Proximity to the Board and top management
- Unique course content and training
- Democratic governance set-up
- Effective administration
- Visible presence in corporate sector
- Global networking
- Sound financial position

Weaknesses

- Student composition
- Awareness levels can be increased
- Infrastructure to be strengthened in line with growth prospects
• Traditional examination system
• Interaction with industry
• Practice side to be strengthened
• Need for entrepreneurial skills in members
• Mid-career blues
• Quality, concerns and entrepreneurial approach
• Need for involvement of senior members.
CHAPTER 6

OBJECTIVE AND STRATEGIES FOR STUDENTS

6.1 OBJECTIVE

“To attract the brightest of the students, transforming them into versatile highest caliber corporate professionals by providing the best of education and training and positioning them as corporate managers”

6.2 EDUCATIONAL STRATEGIES

6.2.1 SYLLABUS

6.2.1.1 Addition of new subjects/topics

- Adequate study of accounting standards, accounting policy, IFRS and interpretation of accounting statements. The focus to be on providing basic knowledge.
- Banking and Insurance to be added in the syllabus, either at executive programme or professional programme.
- Course contents of tax laws, i.e., direct taxes and indirect taxes should be redesigned with the objective of imparting expert and practical knowledge to students.
- Due to wide coverage of syllabus, the focus on certain important and useful topics is missing. More emphasis needs to be given to the following topics:
  (i) Foreign Exchange Management Act;
  (ii) Intellectual Property Rights;
  (iii) Code of Civil Procedure;
  (iv) Criminal Procedure Code;
  (v) Competition Law;
  (vi) International Contracts;
  (vii) International Commercial Arbitration;
  (viii) Due Diligence;
  (ix) Legal drafting and conveyancing.
6.2.1.2 Practical orientation

The course content of each subject needs to be designed to give in-depth knowledge, with better clarity on the concepts and fundamentals of the subject, together with a practical orientation. This can be achieved through:

- Case studies and case laws
- Filing up of forms (??? Not clear)
- Practical questions and examples in subjects like accounts, financial management and taxation
- Drafting of notices, petitions, reply, rejoinder, schemes, agreements, etc.

6.2.1.3 Updation of the syllabus

The syllabus should be updated at regular intervals by incorporating changes in laws, rules, regulations etc. The syllabus itself should be reviewed at least once in three years in order to keep it contemporary in terms of expectations of stakeholders and business trends. The syllabus should be designed to allow automatic inclusion of developments/changes, on an ongoing basis.

6.2.2 TEACHING METHODOLOGY

6.2.2.1 Oral Coaching

Oral coaching at Chapter level needs to be overhauled to provide quality coaching. The quality and standard of oral coaching should be such that students are motivated to join oral coaching, rather than private coaching.

- Selection of the faculty be based on quality, expertise and delivery.
- Services of the best available faculty be obtained through virtual classroom, wherever local faculty is not available.
- The performance of faculty be evaluated and remuneration linked to the feedback from students.
- Sufficient time and adequate number of classes be provided to impart in-depth knowledge.
- Infrastructure facilities at the coaching centres should be of the best quality in order to provide an environment congenial to teaching and learning.
OBJECTIVE AND STRATEGIES FOR STUDENTS

• Greater use of audio and visual technology.
• Special lecturers and seminars should be organized for the benefit of students, by inviting industry experts, regulators, senior members, etc.
• Oral coaching may be provided on a full-time basis also.
• Students should be exposed to teaching and learning methods such as project work, case studies, presentations, discussions, research, etc.

6.2.2.2 Postal Coaching

Study material should be of international standard and have the following features:

• Clarity of concepts.
• Simplicity and continuity in presentation, without repetition.
• Interactive, interesting and user-friendly study material with case studies, case laws, pictorial presentation, etc.

6.2.2.3 Pre-examination Test

• The system of submission of response sheets may be discontinued. Instead every student should be required to compulsorily qualify through an objective type online test before he/she is allowed to appear in Executive/Professional programs.

6.2.2.4 E-learning

E-learning needs to be strengthened and expanded as an option to students, in order to take advantage of the growth of IT infrastructure in the semi-urban and rural areas.

6.2.3 EXAMINATION

6.2.3.1 Since there is no entry barrier for admission to the course, the following measures may be considered in order to ensure the quality of output:

• Examination system needs to be sturdy enough to measure a student’s capacity to act as a corporate manager/governance professional.
• The qualifying marks may be increased to 45% in each subject and the system of aggregating may be reviewed.
• Objective type questions to carry negative marks.
• Focus to be on application of knowledge through case studies, practical problems, case laws, etc.
• In due course, project work may be made part of the assessment.

6.2.3.2 Examination centres be selected on the basis of adequate infrastructure facilities.

6.2.3.3 Number of examination Centers may be increased and examination be conducted in more cities, depending on the number of examinees.

6.3 TRAINING

6.3.1 Student Induction Programme (SIP) and Executive Development Programme (EDP)

6.3.1.1 Organization of SIP/EDP

• Training the trainer is most important. The Institute should design and implement ‘training the trainer’ programmes.

• Each RO/Chapter office to prepare its SIP/EDP calendar at the beginning of the year. This should be published widely and displayed on the website of the Institute.

• Sufficient number of SIP/EDP should be conducted in each region to cater to the needs of the students.

• There should be a provision for on-line application and deposit of fee for SIP/EDP.

6.3.1.2 Features of SIP/EDP

• Objectives of SIP/EDP should be well laid down, published, and communicated to the trainers and trainees.

• Trainers should be apprised about what is expected of them.

• Performance of trainers should be evaluated and documented through a feedback system.

• Trainer to encourage and ensure active participation of trainees.

• Observers should be sent to assess the effectiveness of the SIP/EDP and to suggest measures for improvement.
6.3.2 PRACTICAL TRAINING

6.3.2.1 Orientation for training

Orientation material provided to the trainees should contain the following:

- Objectives of training
- Importance of training
- Expected behavior and attitude during training
- Expected presentation/ dress code during training
- Code of conduct during training
- Office etiquette

A copy of the orientation material should be made available to the trainer also.

6.3.2.2 Duration and Scope of training

- The training period may be increased to 18 months
- Of the total training period, a 1 to 3 month stint may be allowed for training in specialized agencies such as IRDA, TRAI, RBI, Banks, Stock Exchanges, SEBI, Insurance companies, Merchant Bankers, etc., if the trainee wants to acquire specialized practical experience.
- More companies need to be empanelled for practical training, provided they have the infrastructure to provide quality training.
- The list of companies empanelled for training need be reviewed and updated every year.

6.3.2.3 Monitoring and control

- Feedback report from the trainer should be obtained each quarter. This feedback should include work done and performance evaluation, along with suggestions for counseling, if any.
- Feedback report from the trainee should be also obtained on a quarterly basis. This should cover aspects such as learning, experiences and suggestions, if any.
There should be adequate systems at HQ/Regional/Chapter levels to supervise the progress and quality of training.

Cases of dummy training should be strictly dealt with and both trainer and trainee subjected to severe disciplinary action.

6.3.2.4 Training in soft skills
A specialized training programme, dealing with soft skills, may be introduced, in collaboration with specialized Institutes/organisations imparting such training. The programme may be of one to three months' duration, residential or non-residential, depending upon the cost. Such a training programme should be made mandatory for obtaining membership. This programme may also be open to existing members who wish to improve their soft skills.

6.3.2.5 IT Training
An online examination to evaluate IT skills of the students may be conducted, in-house or through an external agency. The module of the examination could comprise advanced IT skills in MS Office, MS Excel, MS Word, MS Power Point, Internet, online filing of e-forms and any prescribed accounting package. This should be updated regularly to incorporate new concepts like XBLR, e-filing under different Ministries, Regulators, etc. Qualifying in this examination may be made a pre-condition for obtaining membership.

6.3.3 MANAGEMENT SKILLS ORIENTATION PROGRAMME (MSOP)
MSOP (earlier known as SMTP) is appreciated as a very good training programme. Its quality may be improved by:

- Incorporation of new subjects/topics, otherwise not covered at the Executive/Professional level.
- Emphasis on managerial and soft skills.
- Focus on practical aspects such as mock board meetings, general meetings, moot courts, report writing, public speaking, etc.
- Objective selection of faculty on the basis of merit and strict monitoring of their performance through an effective feedback system.

6.4 LONG TERM VISION FOR EFFECTIVE TRAINING
The Institute should make arrangement for an in-house training period of one year. This would replace the existing training systems. The in-house training mechanism should focus
OBJECTIVE AND STRATEGIES FOR STUDENTS

on the development of training centres at the regional level, with each center catering to the needs of that particular region. Such in-house training centres should be equipped with:

- World-class infrastructural facilities.
- Expert trainers to impart technical skills, soft skills, managerial skills, entrepreneurial skills, IT skills, etc.
- Industry visits and interaction with Chairmen/MDs in corporate sector.
- Hands on experience on court, tribunal proceedings, AGM, etc.

6.5 CHAPTER SUMMARY

Educational Strategies

<table>
<thead>
<tr>
<th>Strengthening Syllabus</th>
<th>Practical Orientation</th>
<th>Teaching</th>
<th>Examination</th>
</tr>
</thead>
<tbody>
<tr>
<td>By covering accounting standards, accounting policies, IFRS and interpretation of accounting statements in advanced accounts.</td>
<td>Designing the course content to give in-depth knowledge and clarity of concepts. Including case studies and case laws, practical problems and drafting.</td>
<td>Overhauling oral coaching completely to improve its quality, adequacy, and infrastructure. Providing simple, interactive, user friendly and quality study material. Replacing the system of response sheets by online objective type qualifying tests. Promoting E-learning by establishing the required IT infrastructure.</td>
<td>Examination system needs to be studied to measure students capabilities to act as corporate manager/corporate governance professional. Reviewing the qualifying marks, to increase the same from 40% to 45% in each subject and reviewing aggregation of inter-module scores. Making examinations more practical oriented by incorporating case studies and practical problems. Increasing the number of examination centers and selecting them on the basis of proper infrastructure facilities.</td>
</tr>
<tr>
<td>By giving proper focus to topics like FEMA, IPR, CPC, Cr.PC, International Contracts, International Commercial Arbitration, Competition Law etc.</td>
<td></td>
<td></td>
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<tr>
<td>By including new subjects like Banking Law, Insurance Law, etc.</td>
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<td>By updating the syllabus at regular intervals to incorporate changes.</td>
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</tbody>
</table>
Training Strategies

SIP/EDP

- Conducting adequate number of SIP/EDP at each RO/Chapter Office.
- Provision for online enrolment & payment of fee for SIP/EDP
- Ensuring quality through performance evaluation of trainers, through feedback and monitoring.

MSOP

- Considering the usefulness and importance, its quality needs to be improved by giving more emphasis to practical and managerial aspects.
- Objective selection of faculty and monitoring their quality.

In-house Training

Institute may consider comprehensive one-year in-house training programme in technical, soft and IT skills, replacing the present training requirements.

Practical Training

- Train the trainer
- Training period may be increased to 18 months. Up to three months training may be allowed with specialized agencies like SEBI, Merchant Bankers, RBI, IRDA etc.
- Proper monitoring to be ensured through trainer/trainee feedback system to ensure quality.

Soft Skills

A specialized training programme could be introduced in collaboration with a specialized institute(s). This programme could be of a duration of 1 to 3 months. It could be residential or non-residential, depending upon the cost.

This programme could also be open for existing members.

IT Training

Students could be allowed to develop IT skills on their own and they could be exposed to online IT tests before they are admitted as members.

Alternative

Basic IT skills should be made mandatory for admission as members.
CHAPTER 7

OBJECTIVE AND STRATEGIES FOR MEMBERS IN EMPLOYMENT

7.1 OBJECTIVE

“To enable members to become ‘Corporate Managers’ responsible for total compliance management and adoption of good corporate governance practices, along with adding value and maximizing wealth for the company and its stakeholders as a part of management”

7.2 PLACEMENT STRATEGY

7.2.1 Institutional set up

- A dedicated department / section be created at ICSI and at four Regional Offices for:
  (i) arranging practical training for students.
  (ii) campus placement of new members.
  (iii) assisting experienced members for better placements.
- Use an external agency to implement placement systems.
- Maintain either a separate website for placement, or provide a link on the main website, to the placement site.
- Maintain updated database on students seeking training, members seeking employment, and potential employers.

7.2.2 Creation of employment opportunities through interaction and coordination with industry and regulators

- Institute should coordinate with trade and industry associations to create awareness about the services that members can provide.
- Institute should regularly interact with Central and state level regulators to promote more job opportunities.
- Institute should work with regulators for compliance with legal provisions requiring employment of Company Secretaries.
• Special focus be given for interaction with the State governments for creating employment opportunities in:
  (i) State government PSUs.
  (ii) State government departments.
  (iii) Educational institutions.
  (iv) Co-operatives.
  (v) State Electricity Boards, etc.

• Institute shall establish communication channels with potential employers in non-conventional organizations such as co-operatives, NGOs, educational institutions, trusts, etc. to propagate the services of Company Secretaries.

• Regional level placement sections should approach SME units in small cities to create employment opportunities. At the same time members should be encouraged to seek employment opportunities in SMEs and small cities also.

• Institute should actively market CS services to potential employers.

• Special programmes be organized to create awareness in the corporate sector about the different areas in which members can provide their services:
  (i) Project finance and loan syndication
  (ii) Taxation – Direct and Indirect Taxes
  (iii) Risk Management
  (iv) Finance & Accounts
  (v) Internal Audit
  (vi) HR & Administration
  (vii) Arbitration & Conciliation
  (viii) Financial Management
  (ix) Strategic Management
  (x) Due diligence

• Sector specific training programmes may be conducted for members employed in sectors like banking, insurance, mutual funds, etc.

• Institute may collaborate with sector specific bodies, such as Indian Banking
Association, IRDA, TRAI and AMFI to conduct joint certification programmes for members rendering services in these sectors.

- Employment opportunities may be sought in sectors where there are high compliance requirements, e.g. aviation, telecom, insurance, banks, etc.

7.3 STRATEGY FOR CHANGE IN ORIENTATION

ICSI needs to create awareness among its members to play the role of corporate managers, along with their core functioning in the areas of compliance management, corporate governance, sustainability and secretarial practice. Such awareness and orientation should be created through every available means of communication between the Institute and members, among them the Institute’s publications, journals, seminars and conferences, mail campaigns, etc.

To enable the members in employment to discharge their responsibility as corporate managers, the Institute should support and help them in improving the following:

7.3.1 Attitude

- Grooming members right from the start to develop a mindset of corporate managers.
- Demonstration of business skills so as to be able to contribute and add value to the company and its stakeholders.
- Continuous self-renewal.

7.3.2 Skills

- Managerial, leadership and inter-personal skills.
- Knowledge of the business in which the company operates.
- Improving knowledge of finance, accounts and taxation.
- Drafting of International Contracts.
- Advanced IT skills.

7.3.3 Personality

- To develop a pleasant and presentable personality. Proactive approach.
7.4 STRATEGY FOR ENABLING EXPERIENCED MEMBERS TO GET INTO SENIOR MANAGEMENT POSITIONS

After a certain period, say ten years, the Company Secretary must aim to rise to the rank of senior management. Therefore, the Institute may collaborate with specialist institutes/organizations for conducting a short-term executive development programme for experienced members to develop their managerial and entrepreneurial skills and capabilities.

7.5 CHAPTER SUMMARY

Strategy for members in employment

<table>
<thead>
<tr>
<th>Placement</th>
<th>Strategy for changing Orientation</th>
<th>Strategy for positioning in senior management</th>
</tr>
</thead>
</table>
| • Creating dedicated department/section at Headquarters and four Regional Offices for providing placement services.  
• Availing of services of expert external agency, if required.  
• Interface with industry, regulators and various government organisations to create employment opportunities.  
• Seeking employment opportunities in new and emerging areas like KPOs, LPOs, IPR, Telecom, Investment Banking, Indirect taxation etc.  
• Creating awareness in corporate sector about different areas in which members can be employed, like Risk Management, Internal Audit, HR, Arbitration, Indirect taxes, Project Finance, Legal etc. | • Creating awareness and orientation among members to play the role of ‘corporate managers’, along with their core functions of compliance management, corporate governance and secretarial practice.  
• Grooming members to become corporate managers | • Collaborate with reputed institutions for conducting a short term executive development programme for senior members to develop their managerial and entrepreneurial skills. |
CHAPTER 8
OBJECTIVE AND STRATEGIES FOR MEMBERS IN PRACTICE

8.1 OBJECTIVE

“To enable the members in practice to serve as ‘Corporate Advisors’ providing quality compliance management, advisory and representational services in all areas of corporate activities”

8.2 STRATEGY FOR GROWTH OF THE PRACTICE SIDE

8.2.1 Strategy for obtaining more and exclusive recognitions

Institute should constantly interact with the Central Government and State Governments and authorities/regulators to obtain more recognitions.

8.2.2 Strategy for development of advisory and advocacy skills

There is a significant potential to provide advisory and representation services under the various laws. This will only increase with the number of regulators. Therefore, members be encouraged to develop their advisory skills and skills to appear before quasi-judicial authorities.

8.2.3 Strategy for diversification into new and emerging service areas

Sustained efforts need to be made to encourage and create awareness among members in practice, to facilitate ventures into new and emerging areas such as:

Taxation (Excise, VAT, Custom, Service taxes); Legal advisory and documentation; Representation services before authorities like SEBI, TRAI, IRDA, Electricity authorities, proposed NCLT, SAT, etc.; Intellectual Property Rights; Foreign trade and foreign exchange management; Mergers and acquisitions; Foreign investments- FDI, private equity, GDR, ADR, IDR, etc.; Labour laws; Environmental laws; Secretarial Audit; Due diligence; Risk management; Valuation; Rescue, Rehabilitation and Insolvency; Limited Liability Partnerships; Merchant Banking; Registrar and Transfer Agents; Cooperative Societies, Trusts and NGOs; Cooperative Banks; Debt Recovery; Audit- Branch Audit, Asset Audit, System Audit, Stock Brokers Audit, and Internal Audit; Capital Markets and Securities Laws; Arbitration and Alternative Dispute Resolution; Competition Law.
8.3 STRATEGY FOR CAPACITY BUILDING

In order to equip Company Secretaries to practice in new and emerging areas, advisory services, and appearance before quasi judicial authorities, the Institute should:

• conduct short duration (3 to 5 days) workshops with small number of participants. The workshops should incorporate the following:
  (i) Expert and experienced faculty, including advocates, judges and subject experts.
  (ii) Practical exercises.
  (iii) Moot courts and mock pleadings for developing advocacy skills.
  (iv) Drafting of petitions, notices, replies, rejoinders, etc.
  (v) Court procedures and practices.
• PMQ Courses in specific areas, incorporating both theoretical and practical knowledge.
• Certificate courses on specific subjects like valuation, IPRs, Broker’s Audit, Trade Marks Registration, Forex Management, Portfolio Management etc.

8.4 STRATEGY FOR PROVIDING SERVICES TO SME SECTOR

• Institute should interact with the government at central and state levels to seek a role for members in the SME sector.
• Sector specific training and education programs be conducted for SME units across the country, individually and jointly with specialized agencies dealing with SMEs, e.g., SME industry associations, SME credit rating agencies, SME promotion boards, SME financial institutions, etc. These programmes can be used to propagate the services of CS for SMEs.
• Joint seminars and programs should be conducted with Regional and local chambers of commerce and industry.
• The Institute should develop a package for complete compliance systems, for each category and class of small and medium enterprise.

8.5 STRATEGY FOR ENTRY TO PRACTICE

• New members should be encouraged to work for some time under senior members before applying for the Certificate of Practice.
OBJECTIVE AND STRATEGIES FOR MEMBERS IN PRACTICE

- A separate orientation curriculum should be organized before issue of Certificate of Practice. The curriculum should cover the following areas:
  
  (i) Code of Conduct.
  
  (ii) Importance of quality and timeliness in delivery of services.
  
  (iii) Professional standards, ethics and values.
  
  (iv) Entrepreneurial skills.
  
  (v) Professional Risk Management.
  
  (vi) Appearance before regulators and quasi-judicial authorities.

- A member in practice should have adequate infrastructure. A tie up with banks may be arranged to provide loans to members at concessional rates of interest, for setting up the office and infrastructure.

- Peer Review should be implemented to monitor the quality of services, and an appropriate Peer Review System should be put in place.
### 8.6 CHAPTER SUMMARY

**Strategy for members in practice**

<table>
<thead>
<tr>
<th>Strategy for growth of practice side</th>
<th>Strategy for capacity building</th>
<th>Strategy for Entry to Practice</th>
<th>Strategy for providing services to SME sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enabling Practising Members to become 'Corporate Advisors'.</td>
<td>• Imparting knowledge and practical expertise in specific areas by organizing short duration workshops with small number of participants.</td>
<td>• Encouraging fresh members to gain experience with senior members before applying for Certificate of Practice.</td>
<td>• Organize sector specific training and education programme for SME Units to propagate the CS profession.</td>
</tr>
<tr>
<td>• Gaining more and / or exclusive recognitions by constantly interacting with government and regulatory authorities.</td>
<td>• Introducing PMQ/Certificate Courses in specific areas.</td>
<td>• Orientation programme for members desiring to get Certificate of Practice.</td>
<td>• Seek role in SME sector through regular interaction with Central / State Governments/industry associations related to SME sector.</td>
</tr>
<tr>
<td>• Encouraging members to develop advisory and advocacy skills to appear before tribunals and quasi-judicial authorities.</td>
<td></td>
<td>• Arranging soft loans from banks for members for setting up of infrastructure.</td>
<td>• Develop a complete compliance package for each category and class of SME.</td>
</tr>
<tr>
<td>• Encourage members to venture into new and emerging areas of practice.</td>
<td></td>
<td>• Implementing Peer Review system for members.</td>
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</table>
CHAPTER 9

OBJECTIVE AND STRATEGIES FOR
THE PROFESSION

9.1 MISSION

“To develop the highest calibre professionals, facilitating good corporate governance”

9.2 STRATEGY FOR VISIBILITY AND BRAND BUILDING

9.2.1 Recognitions by the industry and regulators

- The Institute should focus on image/brand building among corporates and chambers, through training programmes for corporates and directors, joint organization of programmes on contemporary issues and media publicity about the profession and its services.
- Work with government and regulators to enhance visibility and acceptability.
- Regional Councils should regularly interact with state and local governments to increase visibility and acceptability.
- Special focus on banking and finance and insurance sector. Joint qualifications with RBI, IRDA, AMFI and SEBI may be planned.
- Explore sectors where the presence of CS is currently not prevalent, but where the compliance requirements are high. These sectors include aviation, telecom, IT, ITES, etc. Specific strategies for targeting each sector may be formulated.
- Seminars and programmes should be conducted with local and specialist chambers of commerce.
- Presence of industry may enhanced in ICSI programmes and activities.
- More MOUs should be signed and a mechanism developed to effectively implement the MOUs signed with Universities, Chambers and institutions.

9.2.2 Publicity

- The Institute should publicize and market the services of the profession. Print and electronic media should be used to improve the visibility of the profession and the range of services provided by members.
• Success stories of the members should be highlighted and propagated among the students, members and society.

• Networking among members should be increased.

• The packages offered during campus placements should be publicized, in order to create visibility and enhance the brand.

• Career awareness campaigns for schools and colleges should be designed with the objective of attracting the brightest students, by showcasing:
  — The range of professional services
  — Career opportunities
  — Success stories
  — The interiors of offices throughout the country should be standardized.
  — Standardized brand building material should be used in publicity campaigns.

• The Institute, Regional Councils and Chapters should actively participate in social issues and programs such as blood donation, tree plantings, school competitions, etc.

• Investor awareness and financial literacy programmes should be conducted in schools and colleges.

• Special focus should be placed on creating visibility and awareness of the profession in areas where it has a marginal presence, among them the North-Eastern States, Bihar, Orissa, and Tier II and Tier III towns and cities.

• Organize annual international conference on Corporate Governance to create visibility.

• Take initiatives to promote research in institutions of repute like IIMs. ICSI can follow the CII model, wherein it has managed to get its research projects funded successfully through instituting Chairs.

• Approach local media (print and electronic) for publicity.

9.3 STRATEGY FOR DEVELOPING A GLOBAL PERSPECTIVE

• PMQ/certification courses may be introduced in areas such as:
  (i) Cross border Mergers & Acquisitions
  (ii) International trade
(iii) International arbitration  
(iv) Foreign exchange management  
(v) International taxation  
(vi) International contract management  
(vii) Business law of important countries with whom India has major trade relations.

• Reciprocal arrangements and recognitions with parallel institutions in other countries should be made, with the objectives of:
  (i) Mutual recognition of qualifications  
  (ii) Adoption of uniform practices and standards  
  (iii) Opening of opportunities in respective countries

• Strengthening the Corporate Secretaries International Association (CSIA) by including more countries in its fold, to develop it as forum to raise concerns of Company Secretaries, at multilateral forums like WTO.

• Exchange Programs should be organized through CSIA, at all levels, i.e. at the institutional, member and student levels.

• Joint programs should be organized with speakers from outside India.

• Uniform Corporate Governance practices should be promoted.

• Efforts should be made to evolve and promote International Secretarial Standards.

• The profession should be projected and promoted internationally.

• A global perspective should be incorporated in the course content.

• Equip members to handle sustainability reporting and other forms of global reporting.

• Overseas presence (in Africa, for instance) should be increased.

9.4 STRATEGY FOR PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION

9.4.1 Programs for Professional Development

• Programmes for professional development be conducted with focus on:
  (i) Small group of participants.
(ii) To develop specific knowledge and skills.

- The faculty be selected on the basis of expert knowledge and practical experience.
- The program should focus on the practical aspects of the subject.
- Quality and value addition should be the hallmark of each programme.
- The system of programme credit hours be monitored effectively.

9.4.2 Specialized Courses for Members

- Provide more scope for joint qualifications, including sector specific qualifications, e.g. banking, insurance, mutual funds, etc.
- Specialized short-term certification courses in various areas may be introduced. Such courses could be made available through e-learning and on-line examination.
- Awareness be created among corporates about the value addition that will be provided by such courses.
- Specialization can also be offered at the Professional level by cutting compulsory subjects and offering students a larger choice of electives.

9.4.3 Collaborations with Universities/Institutes

- The Institute should make collaborative arrangements with the best and most reputed Institutes and Universities for education and training.
- MBA and law degrees are the most preferred additional qualification, for which collaborative arrangements may be explored, provided such arrangements do not result in loss of individual identity or degradation of the CS qualification.
- Facilitate executive development programmes in collaboration with reputed institutes.
- The Institute may also try for joint qualification with Institute of Banking and Finance and IRDA, etc.

9.5 STRATEGY FOR PROFESSIONAL SUPERVISION

- Code of conduct should be regularly reviewed on the basis of events that take
place in the corporate sector. In any case, it should be reviewed once in three years, for suitable modification/updation.

- A copy of the updated code of conduct should be made available to all members.
- Whenever any complaint (about unethical behavior, poor quality of professional work, misconduct of members) is received from the regulatory authority or highlighted in the media, the matter must be promptly inquired into and action taken.
- Cases of misconduct, where punishment has been instituted, be placed on the website of the Institute and published.
- A system for random scrutiny of certifications should be implemented and strict penal action taken against erring members.

9.6 STRATEGY FOR PROMOTION OF GOOD CORPORATE GOVERNANCE NATIONALLY AND INTERNATIONALLY

9.6.1 Leadership Role

The Institute should continue to play its role as a national leader in promoting Corporate Governance. Continuous efforts should be made through CSIA and other global bodies engaged in corporate governance, sustainability and CSR, to create visibility for ICSI, as a leader in corporate governance.

9.6.2 Secretarial Standards

- More Secretarial Standards should be formulated in the areas of secretarial and compliance management.
- Efforts should be made, with the Government, for mandatory compliance of Secretarial Standards issued by ICSI, through appropriate legislation.
- Corporates should be encouraged to adopt Secretarial Standards voluntarily, till such Standards are made mandatory.
- Sustained efforts should be made to formulate International Secretarial Standards.

9.6.3 ICSI National Award for Excellence in Corporate Governance

- More companies should be contacted and encouraged to participate in the “The ICSI National Award for Excellence in Corporate Governance”.
• The popularity of the Award should be enhanced, nationally and internationally.
• ICSI Corporate Governance Award should be a very well researched, investigated and credible award. The institute should conduct field visits and appoint technical experts to verify the claims made by companies. This will take the brand value and visibility of the institute to the next level.
• Apart from national level governance awards, state level awards may also be considered.

9.6.4 Awareness about PMQ Course

The Institute should create awareness among corporates and regulators about Post Membership Qualification Courses, so as to improve the employability and growth prospects of members qualifying in these courses.

9.6.5 Global Initiatives in Corporate Governance

• Linkages with various International bodies like World Bank, Global Corporate Governance Forum, OECD, ICGN, ADB, Asian Corporate Governance Forum etc., should be strengthened.
• International Professional Development Programmes should be conducted, for exchange of knowledge and ideas about Corporate Governance practices.
• Efforts should be made for the development and adoption of uniform Corporate Governance Practices across countries, as far as feasible.

9.7 STRATEGY FOR SERVICES TO STUDENTS AND MEMBERS

The services being provided to students and members need to be upgraded to the level of best international practices, with the following specific measures:

9.7.1 Re-organization

• There should be greater decentralization of services, to the Chapter/Regional Council level.
• The Chapter/RC level offices should be strengthened with adequate staff that is properly trained to meet the needs of students and members. This could be done by providing training on soft skills to existing staff of various chapters, and employing new staff, as required.
OBJECTIVE AND STRATEGIES FOR THE PROFESSION

- Infrastructure facilities, in terms of office space, accessible office locality, furniture and fixtures, sanitation, water, library, IT support, oral tuition infrastructure and communication facilities, should be progressively upgraded.

- The staff attending to phone calls should be properly trained. They should be supported by IT facilities so that they can provide services on a real time basis. In case of any complaint, they should be able to register the complaint and provide a complaint number to the students/members, along with information on the expected number of days in which the complaint would be resolved and feedback given to students/members.

- The possibility of outsourcing student and member services to a call centre/ BPO may be examined.

- Efforts should be made to provide every Chapter its own premises, in an easily accessible location.

9.7.2 On-line services

IT support for Student/Member Services should be completely revamped with the objective of minimizing paper work, physical contact points and physical communication requirements. IT support should be developed to achieve the following objectives:

- Complete information about eligibility, fees, documents required for admission, important dates, training requirements and training schedules, etc. should be available online. The information required by students seeking admission should be made available prominently at one place on the website. Detailed FAQs should be also provided.

- Various services to students/members, including filling and filing of various forms, payment of fees(s) and submission of documents, should be delivered online.

- Students/members should be given a user id and a password for accessing all his/her records/information.

- The study material should be issued from the Chapter/RC itself, within a prescribed period after admission.

- Queries and complaints of students/members should be received online and replies sent within a specified number of working days. If there is a delay, the query or compliant should be referred to the higher authority for action.
• Common information, such as important dates and deadlines, training schedules, coaching schedules, seminar and conferences, etc., should be communicated through bulk SMS and e-mail.

• The website should be made user friendly, with proper links, simple language and complete information.

• The website should be updated regularly.

9.7.3 Postal services

Postal services should be improved for ensuring fool-proof and timely delivery of documents to students/members. For this, the following measures are suggested:

• Postal communication should be sent only through registered post or Speed Post, or through reliable courier services.

• The address for postal communication should be picked up as provided by the student/member, electronically, without any manual intervention, in order to avoid typographical mistakes.

• In case of routine postal communication to students, a bulk SMS/e-mail should also be sent after dispatch of postal communication.

• Any complaint about non-receipt of postal communication should be dealt in a time-bound manner, backed by proper documentation and accountability.

• Students/members should be encouraged to send their communication and documents online or through email.

9.8 CS AS A REGULAR COURSE

A regular full time course, in addition to the option of a distance learning course, would improve the quality of output, improve employment opportunities and increase visibility. However, this dual approach runs the risk of creating discrimination between the two sets of members.

It is suggested that the possibilities of starting a full time course may be examined in detail, before a final decision is taken. Until then, the quality of oral coaching needs to be improved in order to attract more students.
9.9 RESEARCH STRATEGIES

The Institute should adopt a long-term research plan within and beyond the areas of interest to the profession. The Institute should undertake in-house research independently, as well as at the behest of government, regulatory authorities, including international/multilateral organisations/agencies. The Institute may also involve outside experts and agencies in its research activities.

9.10 SOCIAL RESPONSIBILITIES

The Institute should take up social initiatives at the Chapter, Regional Office and Headquarters levels.

9.11 Strategies for the development of the Institute – General

- Leverage technology to the maximum extent possible in all activities of the Institute.
- ICSI to be the flagship organisation in the area of Governance and Sustainability.
- Create a Knowledge Portal placing all relevant legislation, for dissemination of knowledge. Conduct case studies on mishaps, and make available post-mishap learning on the Knowledge Portal for reference of members.
- Organize training programs for corporates and independent directors. Explore opportunities in organising sector-specific training programmes, in collaboration with RBI, IRDA, AMFI, SEBI, etc.
- ICSI should be the compliance ambassador not only for corporates, but also for other types of entities, associations or juridical persons.
- Prepare a new organizational design for ICSI.
- Set up a separate Directorate for Infrastructure and for Regional Councils and Chapters.
- Explore innovative financing alternatives for the Institute for its various projects, instead of relying only on student fees. Credit rating can be obtained for the Institute.
- Promote Research on Corporate Governance.
- Publish Guidance Notes/Research Papers on Governance, for family driven corporate boards, Board Process Audits, Guidance on ideal conduct of Board,
Standards on Conflict of Interests, Governance diligence by Independent Directors, dispute resolution, etc. Detailed Governance Modules for Independent and other Directors should also be brought out.

- Archival material (Manuals, Modules, Guidance Notes, Regulatory compliance checklists, etc.) should be placed on the Knowledge Portal.

9.1.2 CHAPTER SUMMARY STRATEGY FOR THE PROFESSION

<table>
<thead>
<tr>
<th>Strategy for Visibility and Brand Building</th>
<th>Strategy for Global Prospective Development and Continuing Education</th>
<th>Strategy for Professional Development and Continuing Education</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recognition by industry and regulators</strong></td>
<td>• PMQ / Certification courses in areas such as international taxation, international arbitration, international contracts, cross border M&amp;As, etc.</td>
<td>• Subject - specific short duration workshops for small groups.</td>
</tr>
<tr>
<td>• Conducting training programmes for corporate executives and directors.</td>
<td>• Reciprocal arrangements and recognition with parallel institutions in other countries.</td>
<td>• Specialized courses for members in new and emerging areas like insolvency, valuation, foreign trade, IPR, banking, insurance, competition law, etc.</td>
</tr>
<tr>
<td>• Organizing joint programmes with trade and industry, chambers of commerce and regulators.</td>
<td>• Strengthening of Corporate Secretaries International Association (CSIA) to voice the concerns of Company Secretaries at multilateral agencies like WTO.</td>
<td></td>
</tr>
<tr>
<td>• Interaction with State and Local Governments to enhance visibility.</td>
<td>• Joint programmes and exchange programmes with foreign institutes.</td>
<td></td>
</tr>
<tr>
<td><strong>Publicity</strong></td>
<td>• Building the image of the Institute by adopting a uniform look for offices across the country and using uniform brand building materials.</td>
<td>• Development of uniform corporate governance practices and international secretarial standards.</td>
</tr>
<tr>
<td>• Publicity and marketing of the profession and creation of visibility through print and electronic media.</td>
<td>• Participation in social events and programmes.</td>
<td></td>
</tr>
<tr>
<td>• Propagation of success stories of members.</td>
<td>• Special focus on publicity in North - Eastern States, Bihar, Rajasthan, Orissa etc., and in tier II and tier III cities.</td>
<td></td>
</tr>
</tbody>
</table>
## Strategy for the profession

<table>
<thead>
<tr>
<th>Research Strategy</th>
<th>Strategy for Promotion of Good Corporate Governance</th>
<th>Strategy for Promotional Supervision</th>
<th>Strategy for Efficient Services to Students and Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Conduct in-house research, independently and at the behest of government, industry and multi-lateral agencies.</td>
<td>• ICSI should continue to play the role of national leader to promote corporate governance and also collaborate with international bodies to create visibility for ICSI as the leader in corporate governance.</td>
<td>• Regular Review of code of conduct on the basis of events taking place in the corporate sector.</td>
<td>• Decentralization of services at RO/Chapter level.</td>
</tr>
<tr>
<td>• Outside expert and agencies may be involved wherever appropriate.</td>
<td>• More Secretarial Standards be formulated and efforts be made to make compliance with Secretarial Standards mandatory, through legislation.</td>
<td>• Prompt examination of complaints or misconduct, on the basis of reference received from regulatory authority or high-lighted by media.</td>
<td>• Strengthening of RO/Chapter Offices with adequate trained staff and infrastructure facilities.</td>
</tr>
<tr>
<td></td>
<td>• Efforts be made to formulate international Secretarial Standards.</td>
<td>• Placing of cases of misconduct, where punishment has been awarded, on the Institute’s website and publication thereof.</td>
<td>• Effective communication with students and members, to provide them quality services and redress grievances expeditiously.</td>
</tr>
<tr>
<td></td>
<td>• Linkages be strengthened with international bodies like World Bank, Global Corporate Finance Forum, OECD, etc. for promotion of good corporate governance.</td>
<td>• Random scrutiny of Compliance Certificate and penal action against erring members.</td>
<td>• Increase online services to students and members, in order to reduce face-to-face contact and dealings.</td>
</tr>
</tbody>
</table>
CHAPTER 10
IMPLEMENTATION OF VISION 2020

The implementation of strategies in an effective and time-bound manner is vital for achieving the Institute’s Vision. This document suggests the broad strategies to be implemented. The different Committees of the Council shall be responsible for making specific action plans and monitoring their implementation.

The Committees may draw up time-bound Operational Action Plans and Milestones. The Committees should also review the progress on implementation of Vision 2020 at each of its meetings and update the Council about the same.

A Vision 2020 Implementation Committee, with a fixed tenure of 3 years, may be formed to monitor implementation of Vision 2020 and report to the Council.

The meeting of the Council should be held in November/ December. This meeting would be dedicated to reviewing the progress on the implementation of Vision 2020.