Useful Thoughts

WHAT YOU GET BY ACHIEVING YOUR GOALS IS NOT AS IMPORTANT AS WHAT YOU BECOME BY ACHIEVING YOUR GOALS.

DO SOMETHING EVERYTHING FOR NO OTHER REASON THAN YOU WOULD RATHER NOT DO IT. SO THAT WHEN THE HOUR OF DIRE NEED DRAWS HIGH, IT MAY FIND YOU NOT UNNERVED AND UNTRAINED TO STAND THE TEST.

FROM THE EDITORIAL DESK:
Editors
MONICA SURI

Dear professional colleagues,
I am glad to share with you that the year 2010 has been very satisfying and successful for the Noida Chapter. In the year 2010 we conducted 3 SMTPs, ADPs, TOP and various programs for the students and professionals. This is the result of a team effort & the Managing Committee of the Chapter to achieve professional excellence.

With this achievement during the previous year, we wish to continue and enhance the professional growth of students and members. We urge all the members to try contribute & support, in whatever little way, the activities of chapter by participation in the programmes and give back to the profession which has given us the coveted position in the society.

I thank you all for electing me to the Regional Council. Being the member of Regional council now, I am striving to improve the chapters and the overall profession of Company Secretaries in every possible way.

Wish you all a happy and prosperous 2011.

Thanking you

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Amendments to the Equity Listing Agreement

1. In line with the objective of enhancing the quality of disclosures made by listed entities, it has been decided to effect certain amendments to the Equity Listing Agreement ("the LA") with respect to various continuous disclosures made by listed entities.

2. The full text of amendments to be effected in the LA is given in the Annexure hereto. A gist of the said amendments is as follows:-

(I) Amendments to Clause 35 – Disclosure relating to shareholding pattern

(a) Disclosure of shareholding pattern prior to listing of securities
Entities which seek listing of their securities post-IPO shall mandatorily submit their shareholding pattern as per Clause 35 of the LA one day prior to the date of listing, in order to ensure public dissemination of updated shareholding pattern. The stock exchanges shall upload the same on their websites before commencement of trading in the said securities.

(b) Disclosure of shareholding pattern of listed entities pursuant to material changes in the capital structure
With a view to ensure public dissemination of the shareholding pattern pursuant to capital restructuring in listed entities, it has been decided that in all cases wherein the change in capital structure due to such restructuring exceeds +/- 2% of the paid up share capital of the entities, the listed entities shall file a revised shareholding pattern with the stock exchanges within 10 days from the date of allotment of shares pursuant to such change in the capital structure, as per the format specified in clause 35 of the LA alongwith a footnote on what necessitated the filing of the revised shareholding pattern. The stock exchanges shall upload the same on their websites immediately.

(c) Disclosure in respect of Depository Receipts
In the case of listed entities which have issued Depository Receipts (DRs) overseas, in order to ensure a holistic and true picture of the promoter/promoter group holding in such entities, it has been decided that details of 'shares held by custodians and against which DRs have been issued' which are presently required to be disclosed in Table (I) (a) of Clause 35 shall be further segregated as those pertaining to the 'promoter/promoter group' and to the 'public'.

(II) Amendments to Clause 40A – Minimum public shareholding
Department of Economic Affairs, Ministry of Finance vide its notification dated June 4, 2010 and August 9, 2010 amended the Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 ("the Rules"), which requires a company which has issued shares under Rule 19 (2) (b) (ii) of the Rules to raise its public shareholding to the specified minimum in the manner specified by SEBI. In order to align the requirements in the LA with the amended Rules and to specify the manner in which public shareholding may be raised to the prescribed minimum, it has been decided to amend the LA to provide that:-

(i) The company agrees to comply with the requirements specified in Rule 19(2) and Rule 19A of the Rules,
(ii) Where the company is required to achieve the level of public shareholding as specified in Rule 19(2) and/or 19A of the Rules, it shall adopt any of the following methods to raise the public shareholding to the required level:
   (a) Issuance of shares to public through prospectus; or
   (b) Offer for sale of shares held by promoters to public through prospectus; or
   (c) Sale of shares held by promoters through the secondary market.

For adopting methods as specified at point (c) the company agrees to take prior approval of the Specified Stock Exchange, which may impose such conditions as it may deem fit.

(III) Amendments to Clause 5A - Uniform procedure for dealing with unclaimed shares
While the existing clause 5A in the equity listing agreement addresses and resolves the practical difficulties of companies which have issued shares in electronic mode; it does not address the difficulties faced by companies
which had in the past issued shares in physical mode. These share certificates may have remained unclaimed by the shareholders due to insufficient/incorrect information or for any other reason. Thus it has been decided to amend the clause to provide for the aforesaid procedure.

(IV) Amendment to Clause 20 & 22- Corporate Announcement
In order to enable investors to manage their cash/securities flows efficiently and to enhance process transparency, it has been decided to mandate companies to have a pre-announced fixed pay date for payment of dividends and for credit of bonus shares.

(V) Amendment to Clause 21 - Notice Period
Consequent to amendment in clause 20 & 22, as above, it has been decided to amend the Clause 21 by removing references to dividend payments.

(VI) Insertion of Clause 53 - Disclosures regarding agreements with the media companies
In order to ensure public dissemination of details of agreements entered into by corporates with media companies, it has been decided that the listed entities shall disclose details of such agreements on their websites and also notify the stock exchange of the same for public dissemination.

(VII) Insertion of Clause 54 – Maintenance of a website
In order to ensure/enhance public dissemination of all basic information about the listed entity, it has been decided to mandate that the listed entities maintain a functional website that contains certain basic information about them, duly updated for all statutory filings, including agreements entered into with media companies, if any.

ACTIVITIES OF THE MONTH

Programme on ‘Service Tax’ – 22nd October, 2010

Noida Chapter organized a programme on “Service Tax” in association with the Noida Chapter of Cost Accountants as per the captioned subject at 2nd Floor Conference Room, KRIBHCO BHAWAN, A-10, Sector 1, Noida. The programme was attended by more than 50 participants.

Mr. R. Kamra, Finance Director, Kribhco was the Chief Guest on the occasion.

Mr. J.K. Mittal, Advocate was the key note speaker. Mr. Mittal elaborately dealt with the latest amendments in Service Tax. The participants asked very inquisitive questions to the learned speaker.

The entire session was very interactive and the queries raised by the audience were suitably answered.

Mr. Rajiv Bajaj, Chairman, Noida Chapter proposed Vote of thanks to the Chief Guest, learned speaker and all those present at the event.
ANNUAL GET TOGETHER

The chapter organized its Annual get together on 1st January, 2011 at Punjabi Association, RE IC, Sector-29, Noida.

The event was well attended by all the members and it provided an opportunity for all the families to interact with each other.

Mr. G.P Madan, Past Chairman, NIRC was present at the Get together.

Games and painting competitions were organized for the members and their families.

This is a yearly event being conducted regularly by the Noida Chapter.

TRAINING ORIENTATION PROGRAMME (TOP)

Noida chapter conducted its Training Orientation Programme (TOP) from 15th Nov, 2010 to 19th Nov, 2010 at the Noida Chapter Office at Sector – 62, Noida

The Modules covered for the participants were as follows:

- Emerging areas of practice & Secretarial Audit
- Presentation and Communication Skills
- Drafting of CVs
- MCA Filing
- Group discussion
- Stress management
- Service Tax
- Career Planning

It was conducted by faculty from Industry and Academia.
Management Skills Orientation Programme (MSOP)

Noida Chapter of NIRC of ICSI conducted its 4th Management Skills Orientation Programme (MSOP) at Jaipuria Institute of Management, Plot No. A – 32A, Sec-62, Noida.

Inaugural Session

On 11th Jan, 11, 4th MSOP of Noida Chapter of NIRC of ICSI was inaugurated. Shri B.K. Sharma, Chairman, NIRC was the chief guest on the occasion. Shri B.K. Sharma discussed that the role of Company Secretaries is specifically defined and the ICSI is taking lot of initiatives for increasing the role of CS. He mentioned that knowledge is important but its application is more important. He suggested the participants to be updated every second, confidence, presentation and communication skills are very much essential these days. He also suggested them to acquire expertise in any area. The 15 day programme is being attended by 47 participants.

Mr. A.K Gurnani, Member of Noida Chapter and Mr. Rajiv Bajaj, Chairman, Noida Chapter also addressed the students. The Inaugural programme was coordinated by CS Neeta Sinha. The Programme ended with a vote of thanks to the Chief Guest, learned speakers and all those present at the event.

FORTHCOMING PROGRAMMES

➢ Study Circle Meeting - 18th Jan, 2011