



**THE INSTITUTE OF  
Company Secretaries of India**  
IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament

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# CS UPDATE

Jan 19, 2010

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# Forthcoming Programmes

- Forthcoming programs of NIRC-ICSI for the month of January 2010

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**OTHER FORTHCOMING PROGRAMS OF NIRC-  
ICSI  
FOR THE MONTH OF JANUARY 2010**

Day, Date & Time	Program	Program Credit Hours	Venue
Friday 22.01.2010 6.00PM	Study Circle Meeting on the topic 'Discussions on Corporate Governance Voluntary Guidelines as notified by MCA'	One	New Delhi YMCA Conference Room, Jaisingh Road, New Delhi
Saturday 23.01.2010, 6.00 PM	West Zone Study Group Meeting on "Company Acquisitions and Related Issues"	One	CMC Ltd. Community Centre, C-58, 6th Floor, Behind Janak Cinema, Janak Puri, New Delhi
Saturday, 30.01.2010, 6 PM	East Zone Study Group Meeting on "Labour laws- Opportunities for CS"	One	Mother Teresa Public School, C-Block, Preet Vihar , Delhi
Sunday, 31.01.2010, 5 PM	North Zone Study Group Meeting (Topic to be in formed through e-mail)	One	NGPA College, 3rd Floor, FD-4, Pitampura (Near Metro Station/Bajaj Capital), Delhi

**MEMBERS ARE CORDIALLY INVITED TO ATTEND THE  
ABOVE PROGRAMS**

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# MCA Updates

- The services of RoC Facilitation Centres (Non-Showcase RFOs) are being discontinued with effect from 17<sup>th</sup> January, 2010

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**MINISTRY OF CORPORATE AFFAIRS  
GOVERNMENT OF INDIA  
NOTICE**

AS ENVISAGED IN THE MCA21 PROJECT, THE SERVICES OF ROC FACILITATION CENTRES (NON-SHOWCASE RFOs) ARE BEING DISCONTINUED WITH EFFECT FROM 17<sup>TH</sup> JANUARY, 2010.

IT IS INFORMED THAT THE MINISTRY HAS APPROVED 965 CERTIFIED FILING CENTRES (CFCs) ACROSS THE COUNTRY FOR GREATER OUTREACH AND E-FILING FACILITIES ACROSS THE COUNTRY. THE CERTIFIED FILING CENTRES ARE MANAGED BY PROFESSIONALS (CHARTERED ACCOUNTANTS, COMPANY SECRETARY & COSTS AND WORKS ACCOUNTANTS) AND THEIR LOCATION-WISE DETAILS ARE AVAILABLE AT:  
[www.mca.gov.in/MCA21/dca/cfc/CFCCenter\\_New.html](http://www.mca.gov.in/MCA21/dca/cfc/CFCCenter_New.html)

FURTHER, THE MINISTRY IS SETTING UP HELP DESK FACILITY AT ROC LOCATIONS FOR PROVIDING ASSISTANCE TO STAKEHOLDERS.

IN CASE OF ANY DIFFICULTY, STAKEHOLDERS ARE REQUESTED TO CONTACT THEIR NEAREST SHOWCASE RFO/ CERTIFIED FILING CENTRES. HELP DESK TELEPHONE NUMBERS WILL BE DISPLAYED SHORTLY.

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# RBI Updates

- RRBs - Computation of NDTL for the purpose of Maintenance of CRR/SLR

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**RESERVE BANK OF INDIA**

**Date:** Jan 18, 2010

**RRBs - Computation of NDTL for the purpose of Maintenance of CRR/SLR**

**RBI/2009-10/289**

RPCD.CO.RRB.BC.No.48 /03.05.50 /2009-10

January 18, 2010

All Regional Rural Banks

Dear Sir,

**Computation of Net Demand and Time Liabilities (NDTL)  
for the purpose of Maintenance of CRR/SLR**

It has been observed that the Regional Rural Banks (RRBs) are not following a uniform practice in reckoning their liability in respect of arrangements with correspondent banks (mainly sponsor banks) for remittance facilities. Under the arrangements, there is a transfer of funds by accepting bank to its correspondent bank and it is an obligation of the correspondent bank to honour the instruments. However, such transfer of funds and obligation of correspondent bank to honour the instruments in no way absolve the primary liability of the accepting bank issuing drafts and interest/dividend warrants to its customers. It is, therefore, advised that all RRBs should reckon the liability in the following manner:

i) When an RRB accepts funds from a client under its remittance facility scheme, it becomes a liability (Liabilities to Others) in its books. The liability of the RRB accepting funds will extinguish only when the correspondent bank honours the drafts issued by the accepting bank to its customers. As such, the balance amount in respect of the drafts issued by the RRB on its correspondent bank under the remittance facility scheme and remaining unpaid should be reflected in the RRB's books as an outside liability and the same should also be taken into account for computation of NDTL for CRR/SLR purpose.

ii) The amount received by correspondent banks has to be shown as ' Liabilities to the Banking System ' by them and not as ' Liabilities to Others ' and this liability could be netted off by the correspondent banks against their inter-bank assets. Likewise sums placed by banks issuing drafts/interest/duplicate warrants are to be treated as Assets within banking system in their books and can be netted off from their inter-bank liabilities.

2. Please acknowledge receipt to our Regional Office concerned.

Yours faithfully,

**(A.K.Pandey)**  
General Manager

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# SEBI

# Updates

- **Certification by Practising Company Secretary regarding Internal Audit for Credit Rating Agencies**



**Certification by Practising Company Secretary regarding Internal Audit for Credit Rating Agencies**

The SEBI vide its circular MIRSD/CRA/Cir-01/2010 dated January 06, 2010 has authorised the **Practising Company Secretary** to carry out internal audit for Credit Rating Agencies(CRA) on a half yearly basis.

The circular states that audit envisaged under Regulation 22 of the SEBI (Credit Rating Agencies) Regulations, 1999 shall include an internal audit to be conducted on a half yearly basis by Chartered Accountants, Company Secretaries or Cost and Management Accountants who are in practice and who do not have any conflict of interest with the CRA.

The Audit shall cover all aspects of CRA operations and procedures, including investor grievance redressal mechanism, compliance with the requirements stipulated in the SEBI Act, Rules and Regulations made thereunder, and guidelines issued by SEBI from time to time.

The report shall state the methodology adopted, deficiencies observed, and consideration of response of the management on the deficiencies. It shall include a summary of operations and of the audit, covering the size of operations, number of transactions audited and the number of instances where violations / deviations were observed while making observations on the compliance of any regulatory requirement.

The report shall also comment on the adequacy of systems adopted by the CRA for compliance with the requirements of regulations and guidelines issued by SEBI and investor grievance redressal.