



Directorate of Student Services

Part-I

Important Information for the months of July, August & September 2011

Important cut-off dates:

Declaration of result of June 2011 session examination : At 12.00 noon on Thursday, 25th August 2011
Result will be available at institute's website www.icsi.edu

- 1. Last date of submission of response sheets under Postal Tuition Scheme for students of Executive / Professional Program appearing in December 2011 Examination.** : Thursday, 1st September 2011
(Students are advised not to wait up to last date. They should submit their response sheets at the earliest well in advance for timely processing & issuance of suggested answers)
- 3. Last date of registration for Executive Program (if student wishes to appear in both modules of Executive Program in June 2012 exam)** : Thursday, 1st September 2011
(31st August 2011 being holiday)
- 4. Last date of registration for Professional Program (if student wishes to appear in all four modules of Professional Program in June 2012 exam)**: Thursday, 1st September 2011
(31st August 2011 being holiday)
- 5. Last date for submission of examination form for appearing in December 2011 exam** : Monday, 26th September 2011
(without late fees) (25th September 2011 being Sunday)
- 6. Last date of admission to Foundation Program (if student wishes to appear in June 2012 exam)** : Monday, 3rd October 2011
(30th Sep, 1st & 2nd Oct 2011 being holidays)
- 7. Last date for submission of examination form for appearing in December 2011 exam** : Monday, 10th October 2011
(with late fees of ` 100/-)

MOST IMPORTANT

All correspondence related with student's matter should be sent to:
The Director (Student Services)
The Institute of Company Secretaries of India,
C-37, Sector-62,
Noida-201309

Important points to be noted:

1. Recently two more examination centers [i.e. **Kota (code no. 230) & Dhanbad (code no. 108)**] have been opened, which will be operative from December 2011 examination onwards on experimental basis. Students residing in & around these places may avail the opportunity.
2. If any student wishes to apply for extension of registration / or registration de-novo, he/she is advised to submit his/her application for extension of registration / or registration de-novo at the earliest.
3. Subject-wise Exemption fees / De-novo / extension fees should never be clubbed with examination fees. Students are advised to apply for the same separately. They should also mention about the same in examination form at appropriate place.
4. **Cancellation of Registration**
Registration of students registered up to and including August 2006 stands terminated on expiry of five-year period on 31st July 2011 leading to the following immediate consequences :
 - (a) Supply of "Student Company Secretary" bulletin will be discontinued from July 2011 onwards.
 - (b) Response sheets will not be accepted even if submitted and coaching completion certificates will not be issued (after the expiry of registration period).
 - (c) Students Executive / Professional Programs registered on or before August 2006 and willing to appear in December 2011 examination are advised to seek Registration De-novo before 31st August 2011. For details contact : Ms Archana Goel Tel : 0120-4522072, e-mail : archana.goel@icsi.edu

Discontinuation of Issue of Mark Sheets in physical form for Foundation and Executive Programmes

W.e.f. June, 2011 Session onwards, the dispatch of Mark Sheets for Foundation and Executive Programmes in physical form will be discontinued. As per the present practice, the details of Marks will be available immediate after the declaration of results on the website. Formal E-Mark Sheets will uploaded on the student portal www.icsi.in which may be downloaded by the students for reference and records.

However, the Mark Sheets of Professional Programme will continue to be issued in physical form.

Online Services for Students through students' portal www.icsi.in

Students of ICSI may avail following online services:

- i) Students can view the status of his / her registration application form already submitted for registration as student.
- ii) Students can take printout of Admit Card (i.e. Roll No. of exam), Registration letter, De-novo letter, Extension letter, Professional Program enrolment letter etc.
- iii) New Students can submit their online registration form for registration in Foundation / Executive Programme.
- iv) Students who have passed both modules of Executive Program, they can submit their enrolment form for admission in Professional Programme.
- v) Students can take printout of "On-line Student Identity Card".
- vi) Students can change their address, Mobile Number, e-mail ID etc. instantly.
- vii) Students can submit the "On-line Examination Form" for appearing in institute's examination to be held in June / December.
- viii) Students who have already submitted their examination form and subsequently they wish to apply for any change in Exam Centre / or Module / or Medium of examination, they can also submit such requests through on-line services.

Part-II

General Information students must know

CHANGE IN FREQUENCY OF DESPATCH OF STUDENT COMPANY SECRETARY BULLETIN

As per the existing system, the Student Company Secretary Bulletin is dispatched by post to all active regular students on monthly basis.

Keeping in view the changing times, The Council of the Institute has decided that the Student Company Secretary Bulletin (in physical form) will be sent to the students on bi-monthly basis, instead of on monthly basis, w.e.f. January 2011.

However, the academic inputs as is being covered in the Student Company Secretary Bulletin will be uploaded on the website of the Institute, viz., www.icsi.edu and the same will also be sent through e-mail on monthly basis. With this arrangement, it is expected that the students will get updated contents promptly with the latest academic developments.

All students are advised to take a note of it.

Important contact numbers of Directorate of Student Services:

SI No.	Nature of Query	Telephone Numbers	E-mail IDs
1	Issue of study materials (Foundation & Executive)	(0120) 4522063	rajni.sharma@icsi.edu
2	Registration Status of Foundation/Executive Program	(0120) 4522061	ms.bhagwan@icsi.edu (for Foundation Program) anju.gupta@icsi.edu (for Executive Program)
3	De-novo/ Extensión / Professional Program Enrolment, Study materials for Professional Program	(0120) 4522072	archana.goel@icsi.edu
4	Paperwise Exemption	(0120) 4522074	s.hemamalini@icsi.edu
5	Non-receipt of Registration Letter/Identity Cards/Student Company Secretary Bulletin/E-mail Registration/Change of Address	(0120) 4522071	naveen.kumar@icsi.edu
6	Coaching Completion Certificates/ Suggested Answers and Response Sheets Status/Oral Tuition/Examiners (DPTS)	(0120) 4522074	sp.singh@icsi.edu
7	Compulsory Computer Training	(0120) 4522075	prem.lata@icsi.edu
8	Public Private Partnership Scheme	(0120) 4522083	ashvini.srivastava@icsi.edu
9	Issue of Admission Certificate for Examinations	(0120) 4522081 / 86	enroll@icsi.edu
10	Duplicate pass certificate of Final/Professional		
11	Transcript/Verification of Qualification (only for students)	(0120) 4522081	siyaram@icsi.edu

GUIDELINES FOR SEEKING EXTENSION OF REGISTRATION

EXECUTIVE PROGRAMME EXAMINATION

No extension of registration will be allowed to any student if he/she has not passed/completed the Executive Programme (Inter) examination during the validity of registration period. All such students will have to seek registration *de novo* only.

PROFESSIONAL PROGRAMME EXAMINATION

1. Students whose registration expires between 28th/29th February and 31st May and between 31st August and 30th November will be allowed extension of time without payment of extension of registration fee for the limited purpose of appearing in the ensuing June or December examination, respectively, as the case may be.
2. Registration of a student may be extended beyond a period of five years on year-to-year basis for appearing in the Professional Programme (Final) examination:
 - (i) if he/she has completed postal/oral coaching and has been issued with coaching completion certificate for all **modules** (groups) of the Professional Programme examination (Final) under new syllabus during the validity of the previous registration period or has passed at least **one module** (group) of the Professional Programme (Final) examination under the New Syllabus during the validity of the previous registration period as the case may be; and
 - (ii) makes an application for extension of registration period along with requisite fee within six months from the date of expiry of registration or within six weeks of the declaration of results of the last examination in which he/she appeared, whichever is later.
3. Extension of registration shall be granted for one year at a time on payment of extension of registration fee of Rs. 500 per annum, arrears of fee, if any, under the previous registration and service charges @ Rs. 150 per module (group) for which the student has not been issued with the coaching completion certificate for the Professional Programme (Final).
4. On the student's application for extension of registration being accepted by the Institute, the extended period will be counted in continuation of his previous registration. He/she will also continue to bear the same registration number.
5. No candidate will be allowed more than two extensions including the extension, if any, already availed under old/new syllabus for completing Professional Programme (Final) examination under the new syllabus.
6. A student who completes the Professional Programme (Final) examination (of the Institute) during the extended period of registration will be required to comply with the practical experience and practical training requirements as stipulated under Company Secretaries Regulations, 1982 and guidelines framed there under in this regard.
7. Study material will not again be supplied on seeking extension of registration. However, it can be had on payment of Rs. 160 per subject.
8. A student, on being granted extension of registration, shall be eligible to get the 'Student Company Secretary' from the month next to the month in which his application for extension of registration is accepted by the Institute.
9. The Secretary - on being satisfied that application of any of the guidelines cause undue hardship to a candidate - may relax any of the said guidelines by recording reasons in writing.

GUIDELINES FOR REGISTRATION DE NOVO

(Registration de novo pursuant to regulation 22 read with sub-regulation (2) of regulation 24.)

(A) Guidelines for candidates seeking registration de novo within two years of the expiry of previous registration.

1. A person whose registration has been cancelled on expiry of five-years period or otherwise may within two years of cancellation of former registration seek registration *de novo* on payment of the following fees:
 - (i) Registration fee: Rs.1500 (**w.e.f. 1.4.2008**)
 - (ii) (a) Where a student has not completed coaching for both modules (Group) of Executive Programme (Intermediate) all modules (Group) of Professional Programme (Final), balance of Rs.5,000 of the postal tuition fee if enrolled for

Executive Programme (Intermediate) or balance of Rs. 7,500, if enrolled for Professional Programme (Final), as the case may be, after adjusting the amount paid on this account earlier. However, credit for having completed coaching in a particular module (Group) may be given if the coaching completion certificate has not been issued due to invalid registration or any other reason.

- (b) Postal tuition fee of Rs 5,000 in the case of students who have passed the Executive Programme (Intermediate) examination but not enrolled for the Professional Programme (Final).
 - (c) Arrears of postal tuition fee, if due, under former registration where the students have been issued with coaching completion certificate(s) for both modules (Group) of Executive Programme (Intermediate) all modules (Group) of Professional Programme (Final) as the case may be.
2. On the student being registered *de novo* he will be given credit for the oral or postal tuition completed during the validity of his previous registration in the corresponding paper(s) of the new syllabus. Such a student shall not be supplied with the study material afresh. Study material can however be obtained on payment of Rs. 160 per subject. Student Company Secretary will be sent free of cost during the validity period of registration *de novo* from the month subsequent to the month in which the student was registered *de novo*.

(B) Guidelines for candidates seeking registration *de novo* after two years of the expiry of previous registration.

1. A person whose registration has been cancelled or has terminated on expiry of five-year period and has not sought registration *de novo* within two years of the expiry of former registration may seek registration *de novo* within 5 years of the cancellation/termination of his former registration on payment of the following fees:
- (i) Registration fee Rs. 1500
 - (ii) Exemption fee for
 - (a) Foundation Programme Rs. 500
 - (b) Executive Programme (Inter) Rs. 500
 - Examination (if already passed)
 - (iii) Paperwise exemption fee
 - (a) Executive Programme (Inter) Rs. 100 per paper
 - (b) Professional Programme (Final) Rs. 100 per paper
 - (iv) Where a student has not completed coaching for both modules (Groups) of Executive Programme (Inter) all modules of Professional Programme (Final), balance of Rs. 5,000 of the postal tuition fee, if enrolled for Executive Programme (Inter) or balance of Rs. 7,500 if enrolled for Professional Programme (Final), as the case may be. However, credit for having completed the coaching in a particular module may be given if the coaching completion certificate has not been issued due to invalid registration or any other reason.
 - (v) Rs. 7,500 in the case of students who have passed the Executive Programme (Inter) but not enrolled for the Professional Programme (Final).
 - (vi) Arrears of postal tuition fee, if due, under former registration where the students have been issued with coaching completion certificates for both modules (Group) of Executive Programme (Inter) all modules (Group) of Professional Programme (Final).
2. On the student being registered *de novo*, he will be given credit for the oral or postal tuition completed during the validity of his previous registration in the corresponding paper(s) at the new syllabus. Such a student shall not be supplied with the study material afresh. Study material can however be obtained on payment @ Rs. 160 per subject. Student Company Secretary will be sent free of cost during the validity period of registration *de novo* from the month subsequent to the month in which the student was registered *de novo*.
3. The registration *de novo* will be valid for a period of five years from the month in which the student has been registered *de novo*.

(C) No candidate shall be registered as a student *de novo* if he applies after five years of the expiry of the former registration. He may seek fresh registration as a student and no credit for the fees paid or examination passed under the former registration will be admissible on his registration as a fresh student under any circumstances.

1. Concession in Registration Fees / Examination Fees for Physically Handicapped Students:

Concession in Registration Fee / Examination Fee for Physically Handicapped Students

As a social welfare measure, the Council of The Institute has decided to grant further concession in Registration Fee / Examination Fee to physically handicapped students with effect from 1st July 2010, as per details given below :

Registration Fee for Physically Handicapped Students

Stage	Registration Fee to be paid by Physically handicapped students :
Foundation Programme	Only Registration Fee will be charged (At present, Registration Fee is Rs.1200)
Executive Programme	Only Registration Fee will be charged (At present, Registration Fee is Rs.1500)
Professional Programme	Only Registration Fee will be charged (At present, Registration Fee is NIL)

Examination Fee for Physically Handicapped Students

Stage	Examination Fee to be paid by Physically handicapped students :
Foundation, Executive & Professional Programme	25% of the fee applicable to general candidates.

The above concession would be granted subject to the following guidelines: -

- (i) The concerned students should submit a certificate issued by a Physician / Surgeon/ Oculist working in a State/ Central Government to the effect of permanent physical disability (including blindness),
- (ii) The following shall be regarded as permanent physical disability :-
 - (a) permanent physical disability of more than 50% in one limb; or
 - (b) permanent physical disability of more than 60% in two or more limbs; or
 - (c) permanent deafness with hearing impairment of 70 decibels and above; or
 - (d) permanent and total loss of voice.
- (iii) Blindness shall be regarded as permanent physical disability, if it is incurable and falls in any of the categories specified namely : -
 - 6/60 to 1/60
 - or field of vision 110-2
 - 3/60 to 1/60
 - or field of vision 100
 - FC at 1 foot to Nil
 - or field of vision 100
 - Total absence of sight

It is clarified that all other services shall be available on full payment basis as applicable to general category students.

2. Change of Address

Change of address, if any, should be intimated to the Institute by sending a separate letter in this regard. While intimating the change in their mailing address, the students are advised to invariably quote the PIN CODE number along with the student registration number, name and full postal address with city, state in capital letters. Students may also

change their address instantly at students' portal www.icsi.in through institute's on-line services.

PIN CODE is required to be mentioned for quick delivery of the mail. Students may, therefore, check up the computerised mailing address as printed on the 'Student Company Secretary' bulletin. In case, it does not carry or carry the wrong PIN CODE number, the same may be intimated immediately quoting student registration number and full postal address with Postal Index Number so that it could be incorporated in the computerised mailing list.

3. E-Mail Address of the Students

Those students who are having e-mail address may communicate the same to the Student Services Section (giving reference of their name & registration no.) at naveen.kumar@icsi.edu, which will facilitate quick and economic communication from the Institute's side. Students may also update their e-mail ID / Mobile Number in records of institute instantly at students' portal www.icsi.in through institute's on-line services

4. Students Identity Card

All the students appearing in the examination must hold Identity Card in the manner prescribed by the Institute, if not already obtained at the time of seeking registration. For obtaining the Identity Card, students are advised to obtain a proforma from the Headquarters/Regional Offices of the Institute and send it again to the Institute duly filled up and attested as per instructions given in the prospectus/registration letter.

Students who have so far not obtained Identity Cards are advised to write to the Institute immediately. The students should carry their Identity Cards without fail for appearing in the Institute's examination. If the Identity Card already issued has been lost or mutilated, student should send a request for obtaining duplicate Identity Card together with the mutilated Identity Card/Identity Card proforma duly filled in and attested together with Rs. 50/- towards duplicate Identity Card fee.

Students may also download their "On-line Student Identity Card" from students' portal www.icsi.in through institute's on-line services.

5. Compulsory Enrolment for Professional Programme.

Students who have passed/completed both modules of Executive examination are advised to seek compulsory enrolment for undergoing coaching for the Professional Programme on payment of Rs. 7500/- towards postal tuition fee.

Candidates will be admitted to the Professional Program examination, if : -

- i) He/She has registered himself/herself as a student for the Professional Programme at least nine calendar months prior to the month in which the examination commences. In other words, candidate registered as student up to and including the month of February in a year are eligible to appear in all the modules of the Professional Program examination to be held in December of that year, and those registered between March to August during a year are eligible to appear in all the four modules of the Professional Program examination to be held in the month of June next year subject to satisfactory completion of compulsory coaching.

- ii) However, a candidate registered as a student at least six calendar months prior to the month in which the examination commences may be allowed to appear in any one or two module(s) of the Professional Program examination, that is to say, a candidate registered as a student up to and including the month of May in a year will be eligible for appearing in any one or two module(s) in December examination and those who are registered from June onwards and upto and including the month of November in a year will be eligible to appear in any one or two module(s) of Professional Program examination to be held in the month of June next year subject to satisfactory completion of compulsory coaching.

6. Uniformity in Signatures

It has been observed that some of the enrollment applications / letters received from the students are either unsigned or bear different signatures from time to time.

All the students are, therefore, advised to maintain uniformity in their signatures on all the correspondence with the Institute including students identity card, enrollment application and attendance sheet provided in the examination hall at the time of writing examinations.

7. Clarification Regarding Paperwise Exemption

- (a) The paperwise exemption is granted only on the basis of specific request received in writing from a registered student along with the attested photocopies of marks sheets for all parts of the Degree/examination (on the basis of which the paperwise exemption is sought) and the exemption fee @ Rs. 100/- per paper. It is one time payment and not to be remitted for availing of paper wise exemption in every session of examination during the validity of registration period.
- (b) The application for claiming paperwise exemption must reach the Institute on or before the last date for submission of enrolment application i.e. 25th March and 25th September for June and December examinations respectively and with a late fee of Rs. 100/-, the application can be accepted upto 9th April and 10th October respectively.
- (c) The paperwise exemption once granted holds good during the validity of registration period or passing/completing the examination, whichever is earlier.
- (d) The paperwise exemption is cancelled only on receipt of a specific request in writing from the student concerned on or before the last date for submission of the enrolment application. If any candidate appears in the exempted paper(s) of examination without receiving the written confirmation from the Institute, but by making personal representation, appeal, request, etc., at the Examination Centre at the last moment, his/her appearance in such paper(s) shall automatically be treated as cancelled.
- (e) It may be noted that candidates who apply for grant of paper wise exemption or seek cancellation of paper wise exemption already granted, before the last date of submission of enrolment applications for a particular examination, must see and ensure that they receive written confirmation from the Institute at least 15-20 days prior to the commencement of the examination. Candidates who would presume automatic grant or cancellation of paper wise exemption without obtaining written confirmation on time and absent themselves in any paper(s) of examination and/or

appear in the exempted paper(s) would do so at their own risk and responsibility and the matter will be dealt with as per the above guidelines.

- (f) Exemption once cancelled on request in writing shall not be granted again under any circumstances.
- (g) The candidates who have passed either group of the Intermediate/Final examination under the old syllabus, may claim the paperwise exemption in the corresponding subject(s) of new syllabus indicating the basis of exemption as "APO" in the appropriate column of the enrolment application.
- (h) In case the paperwise exemption has already been granted on the basis of qualification or the candidates is eligible for grant of exemption on the basis of securing 60% or more marks, a photocopy of the letter/marks-sheet issued by the Institute should be enclosed with the enrolment application while claiming such exemption, failing which the same may not be granted for the ensuing examination.
- (i) No exemption fee is payable for availing paperwise exemption on the basis of "APO" or on the basis of securing 60% or more marks in the Institute's examination.
- (j) Paperwise exemption fee is payable only when the exemption is to be availed on the basis of qualification(s) specified for the purpose.

ANNOUNCEMENT PAPER-WISE EXEMPTIONS ON RECIPROCAL BASIS TO ICSI AND ICWAI STUDENTS	
The Council of the Institute has given approval that the final passed students of ICWAI can avail exemptions in the following papers of Foundation Programme, Executive Programme and Professional Programme of the Company Secretaryship Course under the New Syllabus effective from 1st November, 2007, 1st February, 2008 and 1st August, 2008 respectively.	
Scheme of Exemptions	
Exemption to CS passed candidates in papers of ICWAI.	Exemption to CWA passed candidates in Papers of ICSI.
Foundation Course (4 papers) - Complete exemption	Complete exemption Foundation Programme (4 papers) -
Intermediate Course 1. Financial Accounting (Paper 5) 2. Applied Direct Taxation (Paper 7)	Executive Programme 1. Company Accounts, Cost & Management Accounting (Module I, Paper 2) 2. Tax Laws (Module I, Paper 3)
Final Course 3. Financial Management & International Finance (Paper 12) 4. Indirect & Direct Tax Management (Paper 14)	Professional Programme 3. Financial, Treasury and Forex Management (Module II, Paper 3) 4. Advanced Tax laws & Practice (Module III, Paper 6)
Students enrolled to Company Secretaryship Course and wish to seek above said paper-wise exemption(s) - on the strength of having passed the final examination of ICWAI - may make their request in writing to Director (Students Services) at C-37, Sector-62, NOIDA-201 309 (U.P) together with the requisite exemption fee @Rs.100 per paper by way of Demand Draft drawn in favor of 'The Institute of Company Secretaries of India' payable at New Delhi and the valid document in support of having passed the Final examination of the Institute of Cost & Works Accountants of India on or before the last date of submission of enrolment application for the CS Examination. The above exemption scheme is effective from December, 2008/ June, 2009 for Foundation/Executive Programme and CS Professional Programme examination(s) respectively.	

(j)

EXEMPTION FROM INDIVIDUAL PAPERS OF THE EXECUTIVE PROGRAMME EXAMINATION

In pursuance of the powers conferred on it under clause(3) of the regulation 42 of the Company Secretaries Regulations,1982, the Council of the Institute of the Company Secretaries of India has decided that a candidate shall be exempted from the following paper(s) of the Executive Programme examination if he/she possesses the qualification(s) specified against each paper, having secured 50% or more marks in the aggregate and applies for exemption on or before last date for enrolment for the examination paying requisite exemption fee as may be determined by the Council from time to time :

1. General and Commercial Laws: M.A./M.B.A. (Corporate Secretaryship) or Degree in Law (three years or five years integrated) from a recognized University/Institute either constituted under an Act of Parliament or approved by AICTE.

2. Company Accounts, Cost and Management Accounting : M.A. (Corporate Secretaryship)/M.Com/M.B.A. (with Advanced Accountancy as one of the subjects at graduation/post-graduation level and with full paper in Cost Accounting/Management Accounting/Financial Management at M.A. (Corporate Secretaryship)/M.Com/M.B.A level having secured 50% marks in the subject concerned) from a recognized University/Institute either constituted under an Act of Parliament or approved by AICTE.

3. Tax Laws: M.A./M.B.A. (Corporate Secretaryship) from a recognized University/Institute either constituted under an Act of Parliament or approved by AICTE.

8. Compulsory Computer Training

ATTENTION STUDENTS

CS EXECUTIVE EXAMINATIONS AND COMPULSORY COMPUTER TRAINING PROGRAM REG:

The Institute frequently receives communications from the students seeking guidance on various matters, particularly as to how to qualify the requirements of compulsory computer training program.

In terms of Company Secretaries Regulations, 1982 (as amended) all students are required to successfully undergo a compulsory Computer Training Program for becoming eligible to seek enrolment to appear in CS Executive Program examinations.

The Institute, in compliance of the above said requirements, has tied up with M/s APTECH Limited on providing Computer Training to the students of the Institute at subsidized rates; through which 70 hours of computer training shall be provided to the students/ members of the Institute in all Centers of APTECH all over the country. To undergo this course, a student/ member has to approach any APTECH center recognized for ICSI-APTECH Course on all India bases. To take admission, the student/member has to deposit the requisite fees and fulfill the formalities as per the requirements of M/s APTECH.

The list of APTECH Centers including detailed course contents, module details and topic-wise time duration etc. can be had through the options Students ICSI Aptech Course on the Institute's website i.e. www.icsi.edu

Salient features of the course in brief:

Title of the Course : 'Understanding Information Technology in Corporate Environment'

Duration of the Course : 70 Hours

Fee : Rs.3000/- per participant for General Category & Rs.2500/- Per participant for SC/ST Category. [All payment will be On-line or by Credit/Debit Card or by Demand Draft (Nationalized bank and large private banks only).

Service Tax and bank charges as per the GOI rules as Applicable from time to time shall be payable by **The student. Present rate of Service Tax @10.3%.**

A student can be exempted from undergoing the course on the basis of his existing qualification/degree in the computer field subject to the conditions that he/she enrolls him/herself for an online exemption test (to be conducted by APTECH) at any of the recognized Aptech Center for ICSI-Aptech Course on all India bases and successfully clears the test. TWO attempts will be allowed for the student to clear the online exemption test within a period of 30 (thirty) days against the fees of Rs.450/-. *Service Tax and bank charges as per the GOI rules as applicable from time to time shall be payable by the student.* Present rate of Service Tax @ 10.3 %. Student has to appear for the online exemption test from the respective Aptech Testing Center, which will be allocated to him/her. All payments will be made online or credit/debit card or by demand draft.

9. Student Induction Program (SIP)

Every candidate registered for the Executive Programme w.e.f. 01.09.2009 are compulsorily required to undergo seven days Student Induction Programme (SIP) within 6 months of registration. Regarding any query about SIP, students are advised to contact office of their respective Regional Council / Chapter. Alternatively, they may also call to Directorate of Training & Membership of institute on telephone no. 011-49343026/27/28.

10. Exemption from Computer Training

A student shall be exempted from undergoing the course on the basis of he/she fulfill the following criteria:

1. He/She has the requisite knowledge of the areas/topics covered in the computer training and
2. He/She enrolls himself/ herself for an online exemption test (to be conducted by APTECH) at any of the APTECH Center on all India basis and successfully clears the test.

11. Discontinuation of issue of pass certificates to Foundation / Executive Program pass students:

ATTENTION STUDENTS !

**DISCONTINUATION
OF ISSUE OF PASS CERTIFICATES
TO FOUNDATION/EXECUTIVE
PROGRAMME PASS STUDENTS**

In accordance with the decision taken by the Council of the Institute recently, it is brought to the notice of the student community that henceforth (i.e. from June, 2010 Examination Session onwards), Pass Certificates will be issued only to such students who pass Final Course/Professional Programme. However, Mark Sheets will continue to be issued to students of all stages viz. Foundation, Executive and Professional Programmes as per existing practice.

12. Rationalization of system for issue of Coaching Completion Certificates under Postal Coaching Scheme:

ATTENTION STUDENTS !!!

Rationalization of the system for issue of Coaching Completion Certificate under Postal Coaching Scheme

It has been decided to rationalize the criteria for issue of Coaching Completion Certificates vis-à-vis submission of Response Sheets with immediate effect which is as follows :-

Stage	No. of response sheets required to be submitted for each subject	
	Existing Criteria	Revised Criteria
Foundation Programme	Only one Response Sheet for each subject	No Change
Executive Programme	Three Response Sheets for each subject	Only one Response Sheet for each subject
Final Course/Professional Programme	Three Response Sheets for each subject	Only one Response Sheet for each subject

Keeping in view the above decision, the students are advised to send atleast one Response Sheet for each subject to make him/ her eligible for issue of Coaching Completion Certificate. It is further to clarify that he/ she has to secure minimum 40% marks in each subject for issue of Coaching Completion Certificate. The students who have already sent atleast one Response Sheet in each subject will also be guided by the same criteria and the Coaching Completion Certificates will be issued whoever meets the said criteria. However, students will be at liberty to send maximum response sheets to the Institute and all such response sheets will be evaluated and returned to them for their reference/ guidance. For any further information / clarification on the subject, please contact Shri A.K. Srivastava, Deputy Director (Student Services) at E-Mail id : ashvini.srivastava@icsi.edu or at telephone nos. 0120-4522083.

13. Schedule of Fees :

SCHEDULE OF FEES

PARTICULARS	FEES (Rs.)	REMARKS
FOUNDATION PROGRAMME		
Admission Fee	1200	
Postal Tuition Fee	2400	Total Fees → 3600
EXECUTIVE PROGRAMME (INTERMEDIATE)		
Registration Fee	1500	Total Fees → 7000 (For commerce graduates)
Foundation Examination Exemption Fee	500	
Postal Tuition Fee for Executive Programme	5000	
Postal Tuition Fee for Foundation Programme (<i>payable by Non-Commerce Graduates who are seeking exemption from passing the Foundation Programme Examination under clause (iii) of Regulation 38.</i>)	750	Total Fees → 7750 (For others)
<i>Foundation Pass Student</i>	6500	Total Fees → 6500
PROFESSIONAL PROGRAMME (FINAL)		
Postal Tuition Fee	7500	
DE-NOVO REGISTRATION		
Registration De-Novo Fee	1500	
Exemption from Foundation Examination Fee	500	
Exemption from Executive Programme Examination Fee	500	
EXTENSION OF REGISTRATION		
Extension of Registration Fee	500	
Service Charges for Extension of Registration	150	
EXAMINATION FEE		
Foundation Programme	875	
Executive Programme	900 (Per Module)	
Professional Programme	750 (Per Module)	
Late Fee for receipt of Examination Application	100	
Change of Examination Center/Module/Medium	100	
For appearing from overseas Dubai Centre : Surcharge of US \$ 100 in addition to the applicable examination fees.		

OTHER FEES		
Paper-wise Exemption Fee	100	
Issue of Duplicate Identity Card Fee	50	
Issue of Duplicate Pass Certificate Fee	50	
Issue of Duplicate Mark Sheet	50	
Issue of Transcript / certified copy of Syllabus	100	
Verification of Marks Fee	100 (Per Subject)	

13. ICSI Students Education Fund Trust :

ICSI STUDENTS EDUCATION FUND TRUST

With a view to encourage and motivate economically backward and academically bright students to pursue the Company Secretaryship Course, the Institute has created a Trust viz. ICSI Students Education Fund Trust.

STAGE	CATEGORIES OF STUDENTS / ELIGIBILITY CRITERIA	
	For Students with Family Income upto Rs. 1,00,000 per annum	For Academically Bright Students without any limit on their Family Income
Foundation Programme	75% Marks in both Matriculation & Senior Secondary Stages	90% Marks in both Matriculation & Senior Secondary Stages
Executive Programme	75% Marks in both Matriculation & Senior Secondary Stages and 60% Marks in Bachelor's Degree Stage	90% Marks in both Matriculation & Senior Secondary Stages and 85% Marks in Bachelor's Degree Stage

NATURE AND EXTENT OF FINANCIAL ASSISTANCE

Eligible students shall be fully exempted from paying the Registration/Admission Fee, Postal Tuition Fee, Exemption Fee and other fees usually payable at the time of admission to Foundation/ Executive Programmes. Depending upon their performance in the CS Examinations, the students may also be exempted from payment of Examination Fee and also the fees payable at the time of admission to Executive Programme and Professional Programme (for students admitted to Foundation Programme) and Professional Programme (for students admitted to Executive Programme).

For detailed guidelines, application form, etc. please visit www.icsi.edu

Students desirous of availing the financial assistance may submit their application in the prescribed format along with all supporting documents to **Director (Student Services), The Institute of Company Secretaries of India, C-37, Sector - 62, Noida - 201 309.**

15. List of institutes empanelled for imparting Oral Coaching Classes to CS students Under Public Private Partnership Scheme of ICSI:

S.No	Name & Address of Empanelled Institutions.	Validity for CS Session of Exam
EASTERN INDIA REGIONAL COUNCIL		
1	The Director M/s Institute for Inspiration & Self Development 1-B/200/1, Sector-III Salt Lake City <u>Kolkata-700 106</u>	June`11 and December`11 Session of CS Examinations.
2	The Director M/s Ambedkar Institute of Higher Education AIHE Campus House No 21-B, Patliputra Golamber <u>Patna-800 013 (Bihar)</u>	June`11 & December`11 Session of CS Examinations.
3	M/s Gyan Bharati Institute of Higher Studies, [Unit Gyan Bharati Society] 64A, Nimtalia Ghat Street, <u>KOLKATA 700 006</u>	June`11 and December`11 Session of CS Examinations
NORTHERN INDIA REGIONAL COUNCIL		
1	M/s Sainath Commerce Classes C-20, Talwandi <u>KOTA-324 005</u>	December`11 and June`12 Session of CS Examinations.
2	M/s Lucknow Commerce Academy S-72/17, Old `C` Block Chauraha Rajajipuram(Near Lekhraj Residence) Lucknow-226 017	December 2011 and Jun 2012 session of CS Examinations.
3	The Director M/s i360, Staffing & Training Solutions Private Limited 46, First Floor, Karanpur <u>Dehradun (U.P)</u>	June`11 and December`11 Session of CS Examinations
4	M/s. Institute of Systematic Studies in Commerce, Behind Maharaja Hotel, Station Road, <u>Moradabad- 244001 (UP)</u>	June`11 and December`11 Session of CS Examinations.
5	Director, M/s Advanced Commerce Study , 14 Amar Complex, Dwarka More, Uttam Nagar, <u>New Delhi 110059</u>	June`11 and December`11 Session of CS Examinations

	Mob N0: 9818301515	
6	Director, M/s Govindam Business School, 514, Industrial Estate, Patparganj Delhi – 110092	June`11 and December`11 Session of CS Examinations
7	MRS. SONIA GULATI Proprietor, M/S CS Academy, House N0.35, 8, Maria Colony, PANIPAT – [HARYANA]	June`11 and December`11 Session of CS Examinations
8	CA PRITAM K GOSWAMI Director,M/S Career Institute of Commerce & Accounts [CICA] A- 781, Near I L & Indra Vihar Joint,Indra Vihar, KOTA- 324005	June`11 and December`11 Session of CS Examinations
9	Mr Ajay Kumar Trivedi M/S Vedanta Commerce Academy C-28, Rajajipuram LUCKNOW 226017	June`11 and December`11 Session of CS Examinations
10	Director M/S Bharat Sir's Commerce Institute 7445, Durga Puri Haibowal Kalan Ludhiana [Pb]	December`11 and June`2012 session of CS Examinations.
11	Director, M/S Academy for Professional Studies, LUCKNOW	December`11 and June`2012 session of CS Examinations.
12	Prog Director, NIAM Institute of Applied Management, 20/1, Old Sher Shah Suri Marg, Opp: Sector 37, Faridabad	December`11 and June`2012 session of CS Examinations
13	Mr Pramod Kumar M/S Hari Institute of Education and Training [HIET] House No 528 E,Opp Govt Agriculture Office, Sunder Nagar, Jaunpur 222002 [UP]	December`11 and June`2012 session of CS Examinations
14	Director, M/S Bharti School of Business Studies 9-N Model Town HISAR [Harana]	December`11 and June`2012 session of CS Examinations
15	Heritage Women's Polytechnic Krishna Colony, Near Railway Station Railway Road PALWAL (Haryana)	December`11 and June`2012 session of CS Examinations
16	Shri Aatm Vallabh Jain Girls' College Hnauman Garh Road Sri Ganganagar (Rajasthan) – 335001	December`11 and June`2012

		session of CS Examinations
17	Sri Jain Post Graduate College Ram Ratan Kochar Circle Nokha Road, Gangashahr Bikaner (Rajasthan) PIN-334401	December'11 and June'2012 session of CS Examinations
18	The VIT Computer Education & IIBA – The Institute of Industrial & Business Accountants, 7-103, Vinayk-A Complex, Nr-HDFC Bank, Durga Nursery Road, Udaipur- 313001	December'11 and June'2012 session of CS Examinations
19	C S Launcher Bajaj Road Near – Taparia Bagichi Sikar – 332001 (Rajasthan)	June 2012 and December 2012 session of CS Examinations
WESTERN INDIA REGIONAL COUNCIL		
1	M/s Institute of Management Training & Research Artha Complex, 2 nd Floor Near IMA House and Tapdiya Terrace, Off. Adalat Road Aurangabad-431 001 (M.S)	June`11 and December`11 Session of CS Examinations.
2	M/s Madhu Jas Promotions Pvt. Ltd. [Nahata Professional Academy] C-10, Poddar Plaza Patthar Godam Road Behind Jabalpur Motors, New Siyaganj,INDORE-452 001	June`11 and December`11 Session of CS Examination.
3	The Principal M/s D.M.`s College of Arts, Science & Commerce Assagao, Bardez <u>GOA-403 507</u>	June`11 and December`11 Session of CS Examination.
4	The Director M/s Geetanjali Education Systems Private Limited Geetanjali College of Computer Science & Commerce Indian Red Cross Building Suchak Road Opp. Shastri Medan RAJKOT-360 001	June`11 and December`11 session of CS Examinations.
5	The Managing Director M/s IDEAL Classes Private Limited 44/375, Unnat Nagar-II Opp. Patkar College S.V. Rpad, Goregaon (West) <u>Mumbai-40 062</u> [Branch: Borivali (West)]	June`11 and December`11 Session of CS Examinations.

6	The Director M/s. Lex4biz 5, Rajnigandha Tithal Road Valsad-396001 (GJ)	June'11 and December'11 Session of CS Examinations.
7	The Director, Professional Academy of Competitive Excellence[PACE], B-402, 403, Silver Mall, R N T Marg, Indore- 452001 [MP]	December '11 and June'12 Session of C S Examination
8	Managing Director Arihant Institute Pvt Ltd., "Arihant House" 2, Navin Park Society, Nr Municipal School, Sardar Patel Colony Road, Naran pura, Ahmedabad – 380013	June`11 and December`11 Session of CS Examinations
9	M/S Vrajesh Sir,s Academy of Commerce, 404/B, Swapneet-V Near H L Commerce College, Navrangpura Ahmedabad 380009	June`11 and December`11 Session of CS Examinations
10	Director M/S Dnyanoday Corporte Training Centre N-11, E-11/3, Mayur Nagar Hudco Aurangabad 431136	June`11 and December`11 Session of CS Examinations
11	H L Centre for Professional Education H L College Campus, University Road Navrangpura Ahmedabad – 380009	December`11 and June`12 Session of CS Examinations.
12	S V P M's College of Commerce, Science and Computer Education Malegaon Bk. Tal_ Baramati Dist: Pune – 413115	December`11 and June`12 Session of CS Examinations.
SOUTHERN INDIA REGIONAL COUNCIL		
1.	M/s MOHANS Institute Sreyas, Chettiparambil Lane Thekkumbhagam, Tripunithura Ernakulam (Distt.), KERALA-682 301	December`11 and June`12 Session of CS Examinations.
2.	PRESIDENT, M/s Dr. G.G. Shetty Educational Society ® Jnana Degula , 25/B-4	June`11 and December`11 Session of CS Examination.

	Near K.M.F. <u>DHARWAD-580 004</u>	
3.	M/s Prize Academy No.2, Teachers Colony (Off V.M. Street) Royapettah Chennai-600 014	December`11 and June`12 Session of CS Examination.
4	M/s Sree Saraswathi Thyagaraja College Palani Road, Thippampatti Coimbatore Distt. POLLACHI-642 107	December`11 and June`12 Session of CS Examination.
5	The Principal M/s National College Dindigul Road Karumandapam <u>TIRUCHIRAPALLI-620 001 (T.N)</u>	June`11 and December`11 Session of CS Examinations.
6	The Principal M/s P.S.G.R. Krishnammal College For Women Peelamedu <u>COIMBATORE-641 004</u>	December`11 & June`12 Session of CS Examinations.
7	The Director M/S Blue Dot Academy N0.4, Balaji Avenue, 1st Street T.Nagar CHENNAI – 600017	December`11 and June`12 session of C S examinations.
8	M/S Centre for Human Resources Development, Thekkel, Mannarakkaya m PO ., Ponkunnam [via] Kanjirapally, Kottayam Dist., KERALA – 686506	December`11 and June`12 session of C S examination.
9	M/s Angel Auditor College, SF N0. 37, Marakkadai Street, Brindavan Pudukottai 622001	June`11 and December`11 Session of CS Examinations
10	Dr. Mohan Alva M/S Alva Education Foundation Alva's College. Sundari Anand Alva Campus Vidyagiri, Moodbidri Dakshina Kannada Dist [Karnataka]	June`11 and December`11 Session of CS Examinations
11	MR. K N RAMASAMY, Director, -Academics, RR Academy N0.2, Noor Veerasamy Street, Off Vaalluvar Kottam High Road, Nungambakkam, Chennai 600034	June`11 and December`11 Session of CS Examinations

12	Principal M/S Kathir College of Engineering "Wisdom Tree" S.F NO. 812/1, Neelambur Coimbtore 641062	June '11 and December`11 Session of CS Examinations
13	Director, PSG Institute of Management, Post Box NO.1668, Avinashi Road, Peelamedu Coimbatore 641004	June '11 and December`11 Session of CS Examinations
14	Chief Executive M/S 3-C, Computer Consulting Centre Manjathuruther Building Good Shepherd Road Kottayam 686001	December'11 and June '2012 Session of CS Examinations.

Student Services – Examinations

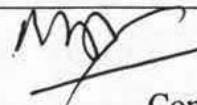
NOTIFICATION

ICSI/CS/04/2011

In pursuance of para 11 of the "Merit Scholarship (Company Secretaryship Course) Scheme 1983", the following students have been awarded 'Merit Scholarships' for the Executive Programme and Professional Programme examinations on the basis of their meritorious performance in the Foundation Programme and Executive Programme Examinations of 'company secretaryship' held in December, 2010:

FOR EXECUTIVE PROGRAMME

<i>Sl. No.</i>	<i>Name of the student</i>	<i>Registration No.</i>
1.	NAMAN GARG	120491741/02/2011
2.	AMOGH GAUTAM DIWAN	420903773/02/2011
3.	MS. SWATI RAWAT	221062421/02/2011
4.	ADITYA VIKRAM KEJRIWAL	120485027/02/2011
5.	MS. PALAK MIDDHA	221053126/02/2011
6.	ABDULLAH RASHID FAKIH	420911471/02/2011
7.	MS. KIRTANA JAISHANKAR	420930071/02/2011
8.	NAYAN CHOKHANI	120499053/03/2011
9.	MS. A PRATHIBA	320691291/05/2011
10.	MS. RITIKA PODDAR	120484441/02/2011
11.	ROHAN KARIA	320676023/02/2011
12.	MS. RITIKA BIYANI	120475757/02/2011
13.	MOHIT AGARWAL	120487530/02/2011
14.	TOSIT AGARWAL	221069565/02/2011
15.	SAMEER CHUGLANI	221077049/02/2011



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: 2 :

<i>Sl. No.</i>	<i>Name of the student</i>	<i>Registration No.</i>
16.	MS. AASHI KHEMKA	120475640/02/2011
17.	MOHIT GOENKA	120476541/02/2011
18.	NAWAL KISHOR AGARWAL	120500035/02/2011
19.	MS. SHWETA DAGA	221095439/02/2011
20.	MS. PARISHA SHARMA	221060760/02/2011
21.	MS. R GAYATHRI DHEVI	320688157/02/2011
22.	NEERAJ MANTRI	420917322/02/2011
23.	MS. ROHINI JINDAL	120464183/02/2011
24.	MS. NIMISHA DROLIA	120488022/02/2011
25.	TUHIN JAGDISH CHOWDHURY	120483192/02/2011
26.	NISCHAY ARORA	221045280/02/2011

FOR PROFESSIONAL PROGRAMME

<i>Sl. No.</i>	<i>Name of the student</i>	<i>Registration No.</i>
1.	MS. NUPUR KEDIA	320561108/02/2010
2.	PARAMESWARAN BABU SRIKANTH	320572506/02/2010
3.	VINAY KUMAR JAIN	220735188/06/2009
4.	MS. GARIMA SHARDA	220849141/02/2010
5.	NRUPANG BHUMITRA DHOLAKIA	420726676/02/2010
6.	MS. MANJARI GOEL	120386307/02/2010
7.	MS. BHAWNA GUPTA	220842801/02/2010
8.	YAGYESH LADIA	120379719/02/2010
9.	NIPUN JAIN	120395181/02/2010
10.	MS. EKTA BHARGAVA	220813283/02/2010


Contd.....3



: 3 :

Sl.No.	Name of the student	Registration No.
11.	MS. PRIYANJALI AGARWAL	220759175/08/2009
12.	KARAN NAHAR	120385836/02/2010
13.	MS. NEHA MAHESHWARI	220834663/02/2010
14.	MS. NIDHI KHANDELWAL	220828424/02/2010
15.	SOURABH KISHANPURIA	120382639/02/2010
16.	MS. PARIDHI GUPTA	220823961/02/2010
17.	MS. PRITI GUPTA	220842641/02/2010
18.	BISHAL DAS	220620772/08/2008
19.	JAY PANKAJBHAI SHAH	420676246/08/2009
20.	MS. PRITI JAIN	120378536/02/2010
21.	ANCHIT JAIN	220844711/02/2010
22.	GAURAV JAIN	220840138/02/2010
23.	PRATIK GOYAL	120376250/02/2010
24.	MS. VIDHI AGRAWAL	220835538/02/2010
25.	MS. ANNAPURNA SRIKANTH	320526722/08/2009

BY ORDER OF THE COUNCIL

(CS N K JAIN)
(SECRETARY & CEO)

File No.205:Exams:D/2010

Dated the 15th July, 2011
NEW DELHI - 110 003.

Directorate of Academics & Professional Development

Executive Programme

SUBJECT - SECURITIES LAWS AND COMPLIANCES

COMPLIANCES UNDER LISTING AGREEMENT OF STOCK EXCHANGES¹

Listing of securities on stock exchange is a matter of great importance for companies and investors, because it provides the liquidity to the securities in the market.

The prices at which the securities are traded in the stock exchange are published in the News Papers. Investors are able to know these price trends from such publications. Compared to listed securities the trading of unlisted securities is difficult. The price trends in respect of unlisted securities are seldom known to the investors and the contract between the seller and buyer takes places mostly on one to one basis.

Thus, in order to avail of the benefit of listing, company seeking listing is required to comply the conditions of listing agreement entered into with stock exchange. It is open to companies to get their securities listed in their Regional stock exchanges and one or more of the other stock exchanges in the country under SEBI Act. Company seeking listing with stock exchanges in other countries are required to follow the rules and regulations of those exchanges.

Only public companies are allowed to list their securities on the stock exchange. Private Limited companies cannot get listing facility. They should first convert themselves into public limited companies and their Articles of Association should also contain provisions as laid down in the listing agreement and as applicable to public limited companies.

Types of Listing

Listing of securities falls under five categories —

- (1) *Initial Listing* : The shares or securities to be listed for the first time by a company on a stock exchange is called initial listing.
- (2) *Listing for Public Issue* : A company whose shares are listed on a stock exchange comes out with a public issue of securities, it has to list such issue with the stock exchange.
- (3) *Listing for Rights Issue* : The companies whose securities are listed on the stock exchange, issue securities to existing shareholders on rights basis, it has to list such rights issues on the concerned stock exchange.

¹ Prepared by Sonia Baijal, Deputy Director, Academics, The ICSI

- (4) *Listing of Bonus Shares* : A company issuing shares as a result of capitalisation of profit through bonus issue, such issues need to be listed also on the concerned stock exchange.
- (5) *Listing for merger or amalgamation* : When new shares are issued by an amalgamated company to the shareholders of the amalgamating company, such shares are also required to be listed on the concerned stock exchange.

Benefits of Listing

The following benefits accrue to a company whose securities are listed on the stock exchange—

- (1) Public image of the company is enhanced.
- (2) The liquidity of the security is ensured making it easy to buy and sell the securities in the stock exchange.
- (3) Tax concessions are available both to the investors and the companies.
- (4) Listing procedure compels company management to disclose important information to the investors enabling them to make crucial decisions with regard to keeping or disposing of such securities.
- (5) Listed companies command better support such as loans and investments from Banks and FIs.

Multiple Listing

A company with a paid up capital of over Rs. 5 crores may list its securities or have its securities permitted for trading, on atleast one stock exchange having nationwide Trading Terminals. Multiple listing provides arbitrage opportunities to the investors, whereby they can make profit based on the difference in the prices prevailing in the different exchanges.

REGULATORY FRAMEWORK FOR LISTING

Listing of Securities on Indian Stock Exchanges is essentially governed by the provisions in the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, Rules, bye laws, regulations of concerned stock exchange, the listing agreement entered into by the issuer and stock exchange and circulars/guidelines issued by the Central Government and SEBI.

As per Section 73(1) of the Companies Act, 1956, (as amended by 1988 Act), every company intending to offer shares or debentures to the public for subscription by the issue of a prospectus is required to make an application to one or more recognised stock exchanges before such issue, for permission for the securities intending to be so offered to be dealt the Stock Exchange(s).

As per Section 73(1A) of the Companies Act, 1956, prospectus should state the names of the stock exchanges where application for listing has been made. Any allotment of securities made on the basis of such prospectus to be void if permission of listing is not granted by the stock exchange(s) before the expiry of 10 weeks from the closure of the issue.

As per Section 73(2), if the application for listing is not made or if permission is not granted, the company should forthwith repay without interest all money received from the applicants within 8 days. If the money is not refunded within 8 days as stated, the company and its every officer in

default should, from the expiry of 8th day, be jointly and severally liable to repay that money with interest (presently @15% per annum).

As per Section 4 of the Securities Contracts (Regulation) Act, 1956, every recognised stock exchange has the powers to make bye-laws for the listing of securities on the stock exchange, inclusion of any security for the purpose of dealings and suspension or withdrawal of securities and the prohibition of trading in any specified security, subject to SEBI approval.

Every company while submitting its application for listing with the stock exchange(s) should produce a number of documents as enclosures to satisfy the requirements of the concerned stock exchange. It is also required to give a number of undertakings as a condition precedent before listing as sought by the concerned stock exchange. Finally when the stock exchange(s) agree(s) to list the securities, the company executes a listing agreement with the stock exchange(s). The listing agreement of different stock exchanges have 50 to 60 clauses.

When a company signs a listing agreement with a stock exchange, it means it has entered a legally binding contract with that exchange and it has to ensure compliance of each and every term and condition in the listing agreement. For failure to ensure such compliance the stock exchange can take an action against the company after giving an opportunity of being heard.

LISTING AGREEMENT

The Compliances under the Listing Agreement (LA) are necessary in order to achieve the objective of LA. Towards this end if an analysis were to be done of the LA, one will be able to observe the following clause-wise compliances:

Clause 1 - To issue letters of allotment, letters of right, Letter of offer with provision for renunciation, split, letters of regret and advertisements thereof.

Clause 2 - To issue receipts for securities deposited with the company for various purposes such as registration, split, consolidation, sub-division, renewal and other purposes.

Clause 3 - To issue Certificates within 1 month of the date of the expiration of any right to renunciation; To issue Certificates within 1 month of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls / allotment monies or to issue pucca transfer receipts in denominations corresponding to the market units of trading within fifteen days of such lodgment for transfer; To issue balance certificates within one month if so required; To issue, within six weeks of notification of loss and receipt of proper indemnity, new certificates in replacement of those which are lost.

Clause 4 - To issue allotment letters, share certificates, call notices in market lots; To issue within one week, split, consolidation and renewal receipts; To exchange 'rights' or 'entitled' shares into coupons or fractional certificates when so required by stock exchange; To issue call notices and splits and duplicates thereof; To make arrangements for accepting call moneys at all centres.

Clause 5 - When documents are lodged for sub-division, consolidation or renewal through the clearing house of stock exchange, to accept the discharge of an official of Stock Exchange Clearing House.

5A - The shares whether issued in dematerialise form or physical form which are remain unclaimed the registrar to the issue should send at least three reminders at the address given in the application form and in case of no response, the unclaimed shares shall be credited to a demat suspense account and in case of shares issued in physical form to an Unclaimed Suspense

Account opened with the Depository Participants; Any corporate benefits accruing on such shares viz. bonus shares, split etc., should also be credited to such demat suspense account and Unclaimed Suspense Account. The issuer should maintain details of shareholding of each individual allottee whose shares are credited to such suspense account. In case the allottee approaches, the issuer shall credit the shares lying in the suspense account to the demat account of the allottee to the extent of the allottee's entitlement. The suspense account shall be held by the issuer purely on behalf of the allottees. The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The issuer should disclose the following details in its Annual Report, as long as there are shares in the suspense account:

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year and at the end of the year
- Number of shareholders who approached the issuer in this regard;
- Number of shareholders to whom shares were transferred from suspense account
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares..

Clause 6 - To certify transfer against letters of allotment, certificates and balance receipts.

Clause 7 - On transfer, to make an endorsement to the effect that the Power of Attorney or Probate or Letters of Administration or Death Certificate or Certificate of the Controller of Estate Duty or similar other documents have been duly exhibited to and registered by the Issuer.

Clause 8 - Not to charge for registration of transfers, sub-division and consolidation of shares and debentures, letters of allotment and split, consolidation, renewal, renounceable letters of rights, for issue of new certificates in lieu of old ones, and for registration of any power of attorney, probate, letters of administration or similar other documents.

Clause 9 - Not to charge any fees exceeding that which is agreed by stock exchange for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed and for sub-division and consolidation of share and debenture certificates, sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market units of trading.

Clause 10 - To verify the signatures of shareholders on allotment letters, split, consolidation, renewal, transfer and any other temporary receipts and transfer deeds when so required by the shareholders or a member of stock exchange or by stock exchange Clearing House.

Clause 11 - To register transfers of its securities when instruments and accompanying documents are proper.

Clause 12 - To register transfers of its securities in the name of the transferee except when any statutory prohibition or a court order prevents the company from doing so.

Clause 12A - To agree to compensate the investor for any delay in registering transfers.

Clause 13 - To notify any attachment or prohibitory orders restraining from transferring securities with their distinctive numbers and names of the registered holders thereof.

Clause 14 - To maintain registry office in other cities as the stock exchange may require.

Clause 15 - Not to close its transfer books or fix record date on such days as may be inconvenient to stock exchange.

Clause 16 - To close transfer books for dividend / rights issue / bonus issue / shares / issue on conversion / for such other purposes; To close its transfer books at least once a year at the time of the Annual General Meeting; To give advance notice of at least seven working days to the stock exchange regarding the book closure and send copy to other recognized stock exchanges in India; To ensure that the time gap between two book closures and record dates would be atleast 30 days. No delivery period for all types of corporate actions in case of scrips traded in compulsory dematerialized mode. Intimate atleast 7 days before corporate actions like mergers, de-mergers, splits and bonus shares in case of company whose stock derivatives are available or whose stocks form part of an Index on which derivatives are available.

Clause 17 - To accept registration of transfers lodged upto book closure or the record date and to defer any transfer received after the book closure or record date.

Clause 18 - To publish periodical interim statements of its working and earning.

Clause 19 - To notify 2 days in advance the date of the meeting of Board of Directors for BuyBack of Securities, declaration/recommendation of Dividend or Rights or issue of convertible debentures or of debentures carrying a right to subscribe to equity shares or the passing over of dividend or the issue of right is due to be considered; To recommend or declare all dividend and / or cash bonuses at least five days before commencement of book closure / record date; To give simultaneous notice regarding proposal for bonus issue; No intimation is required if bonus issue is not on the agenda of the Board Meeting; Prior intimation to the stock exchange for shares on rights basis to the existing shareholders at least two working days in advance. To notify at least 48 hours in advance of the meeting of the Board of Directors for determination of issue price of further public offer made through fixed price route.

Clause 20 - To intimate to the stock exchange within 15 minutes of the closure of the board meeting by phone, fax, telegram, e-mail:

- All dividends and/or cash bonuses recommended or declared or the decision to pass any dividend or interest payment.
- The total turnover, gross profit/loss, provision for depreciation, tax provisions and net profits for the year (with comparison with the previous year) and the amounts appropriated from reserves, capital profits, accumulated profits of past years or other special source to provide wholly or partly for the dividend (even provisional figures would do).
- To send the information by e-mail in the format which is given in Schedule V.
- To intimate within 15 minutes of the closure of the Board Meetings about the decision on Buy Back of Securities.
- An intimation made in respect of declaration or recommendation of dividend should also contain the date on which dividend shall be paid / dispatched.

Clause 20A - To declare and disclose the dividend on per share basis only.

Clause 21- To fix and notify 21 days in advance of the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds will be payable; To issue simultaneously interest and cheques for redemption of money on redeemable shares or debentures and bonds; To make it payable at par at specified centres.

Clause 22 – To intimate to the stock exchange, within 15 minutes of the closure of the board meeting, by phone, fax, telegram, e-mail :

- Any increase of capital whether by issue of bonus shares through capitalization or by way of right shares.
- Reissue of forfeited shares or securities.
- Issue of shares or securities held in reserve for future issue.
- Creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to.
- Particulars of any alterations of capital including calls made.
- Any other related information.
- The intimation made regarding increase of capital by issue of bonus shares should also contain the date on which such bonus shares would be credited/dispatched.

Clause 23 - To issue or offer in the first instance all shares, securities, rights privileges and benefits to subscribe to pro rata to the equity shareholders of the Company unless the shareholders in the general meeting decide otherwise; To close the transfer books or fix the record date in consultation with the exchange and it can do so only after the sanctions subject to which the issue or offer is proposed to be made have been duly obtained unless the Exchange agrees otherwise To make such issues in a form duly approved and to grant the right of renunciation; To issue coupons or fractional certificates or to provide for the payment for the fractional entitlements; To give not less than four weeks time to exercise their rights; To issue letters of allotment or letters of right within six weeks of record date or date of reopening of books and to issue allotment letters or certificates within six weeks of the last date for submission of letters of renunciation or applications of new securities.

Clause 24 - To obtain 'in-principle' approval for listing from the exchange before issuing shares or securities; To make adequate disclosure in the offer documents; Not to issue any offer document before getting acknowledgement card of SEBI; To submit necessary documents to the Exchange for listing. To refund the subscription monies in the event of non-submission of documents or withdrawal of acknowledgement card by SEBI; To file any scheme/petition at least a month before it is presented to the Court or Tribunal under Section 391, 394 and 101 of the Companies Act, 1956; To ensure that any scheme of arrangement/amalgamation/merger/reconstruction/reduction of capital does not violate, override or circumscribe the provisions of securities laws or the stock exchange requirements; To disclose the pre and post arrangement or amalgamation capital structure and shareholding pattern; To file an auditor's certificate to the effect that the accounting treatment contained in the scheme is in compliance with all the accounting standards specified by the Central Government.

Clause 25 - While granting any options to purchase any shares, to notify the number of shares covered by such options, the terms and the time available for exercising the options and all subsequent changes or cancellation or exercise of such options.

Clause 26 - To select securities for redemption pro rata or by lot.

Clause 27 - To notify of any action leading to redemption, cancellation or retirement in whole or in part of any securities; the intention of drawing the securities, the date and period of closing books for such drawing and securities outstanding after such drawing.

Clause 28 - Not to make any change in the nature of shares listed or in the benefits to their holders without giving twenty-one days' prior notice.

Clause 28 A - The issuer should not issue shares which gives any persons superior voting rights or dividend on equity shares that are already listed.

Clause 29 - To notify any proposed change in the general nature of business.

Clause 30 - To notify any change

- of the Board
- of the Managing Director, Managing Agents or Secretaries and Treasures;
- of Auditors.

Clause 31 - To send

- 6 copies of the Annual Reports to all exchanges.
- 6 copies of all notices, resolutions and circulars relating to new issue of capital prior to their dispatch to the shareholders.
- 3 copies of all the notices, call letters or any other circulars at the same time as they are sent to the shareholders or debenture holders or advertised in the Press.
- 1 copy of Minutes of all general meetings.
- 3 copies of all notices, circulars, concerning merger or amalgamation, re-construction, reduction of capital, scheme or arrangement including notices and circulars issued or advertised regarding meetings of shareholders or debenture holders or creditors and copies of minutes of all such meetings.

Clause 32 - To send a copy of full annual report to each shareholder and upon application to any member of stock exchange. The company may send one full annual report to shareholders residing in one household provided the company sends abridged annual report to all the shareholders in the same household.

- To give cash flow statement along with Balance Sheet prepared as per AS-3 of ICAI under the Indirect Method duly authenticated in the manner laid down under Section 215 of the Companies Act, 1956.
- To publish audited Consolidated Financial Statement.
- To disclose in the annual report details of related party transactions as per Accounting Standards.
- To disclose in the annual accounts the amounts at the end of each financial year and the maximum amount of loans /advances /investments outstanding during the year in respect of loans, advances, investments to subsidiaries, holding companies, companies in which directors are interested.
- To disclose -
 - Where shares are delisted or where trading is suspended, the reasons for the same should be disclosed in its Directors Report.
 - Confirmation regarding payment of Annual Listing Fee to each of the exchange.
 - Where there is a change in name due to new activity, the turnover and income from the said activity should be mentioned separately in the annual results.

Clause 33 - To forward copies of all notices, proposing amendments to Memorandum and Articles of Association and to file six copies, of which one should be a certified copy, of such amendments after they are adopted by the general meeting.

Clause 34 - Not to exercise a lien on its fully paid securities; Not to exercise lien on partly paid securities except in respect of unpaid calls; Not to decline to register or acknowledge any transfer of securities even if the buyer is indebted to the Issuer on any account whatsoever; Not to forfeit unclaimed dividends before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases; if any amount be paid up in advance of calls on any shares it will stipulate that such amount may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits; To send proxy forms to security holders indicating that the security holders may vote either for or against each resolution; Where notice is given to security holders by advertisement, to give the advertisement at least one leading National daily newspaper.

Clause 35 - To file the shareholding pattern containing details of promoters holding and non-promoters holding in the prescribed format one day prior to listing of its securities on the stock exchanges; on quarterly basis, within 21 days from the end of each quarters; within 10 days of any capital restructuring of the company resulting in a change exceeding +/-2% of the total paid-up share capital.

Clause 36 - To intimate immediately of events (at the time of its occurrence and also after cessation of the event) such as strikes, lockouts, closure on account of power cuts and other like events such as the following:

- Change in the general character or nature of business.
- Disruption of operations due to natural calamity.
- Commencement of Commercial Production/Commercial Operations.
- Developments with respect to pricing/realisation arising out of change in the regulatory framework.
- Litigation /dispute with a material impact.
- Revision in Ratings.
- Any other information having bearing on the operation/performance of the company as well as price sensitive information which includes but not restricted to:
 - Issue of securities.
 - Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement.
 - Change in market lot of the company's shares, sub-division of equity shares of the company.
 - Voluntary delisting.
 - Forfeiture of shares.
 - Any action which will result in alteration in the terms regarding redemption / cancellation / retirement in whole or in part of any securities issued by the company.
 - Information regarding opening, closing of status of ADR, GDR or any other class of securities to be issued abroad.

- Cancellation of dividend/rights/bonus, etc.

— The above information should be made public immediately.

Clause 37 - To make available immediately to its members and to the Press any information supplied to exchange unless exempted specifically.

Clause 38 - To pay listing fee and annual listing fee and additional annual listing fee, for listing of securities of further issues.

Clause 39A - To comply with conditions, present and future, of bye-laws, rules and regulations of the exchange.

Clause 39B - To comply with regulations as may be laid down for immobilisation or dematerialisation of securities.

Clause 39C - Not to make a rights issue which exceeds Rs. 50 Lakhs without appointing category I Merchant Banker.

Clause 40A - To comply with the requirements specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957.

- To raise the public shareholding to the required level, the company should adopt the following methods (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.

Clause 40B - To comply with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 in case there is a take over offer made or there is a change in management control.

Clause 41 –

Preparation and Submission of financial results

- To file and publish financial results on the basis of on accrual accounting policy in accordance with uniform accounting practices adopted for all the periods.
- The company shall submit its quarterly, year to date and annual financial results to the stock exchange in the manner prescribed.

Options for submission of financial results

- (i) To submit audited or unaudited quarterly and year to date financial results to the stock exchange within forty five days of end of each quarter (other than the last quarter), subject to the following:
 - In case of unaudited financial results it is subjected to limited review by the statutory auditor of the company and in case of public undertaking by a Practicing Chartered Accountant. A copy of the same should be forwarded to the stock exchange within forty five days from end of the quarter.
 - In case of audited financial results it should be along with the audit report.

In case of company having subsidiaries can in addition to the stand alone financial results also submit quarterly and year to date consolidated financial results within forty five days from the end of the quarter and while submitting annual audited financial results prepared on

stand-alone basis it should also submit annual audited consolidated financial results to the stock exchange within sixty days from the end of the financial year.

- (ii) In case of the last quarter the company can either submit unaudited financial results for the quarter within forty five days of end of the financial year or to submit audited financial results for the entire financial year within sixty days of end of the financial year, subject to the following:
 - In case of un-audited financial results for the last quarter, the company should also submit audited financial results for the entire financial year, as soon as they are approved by the Board and this is subjected to limited review and a copy of the limited review report should be furnished to the stock exchange within forty five days from end of the quarter.
 - In case of audited financial results for the entire financial year, the company is required to intimate the stock exchange in writing within forty five days of end of the financial year, about such exercise of option.
- (iii) As a part of its audited or unaudited financial results for the half-year, the company should submit by way of a note, a statement of assets and liabilities as at the end of the half-year. However, when a company opts to submit un-audited financial results for the last quarter of the financial year, it should submit a statement of assets and liabilities as only along with the audited financial results for the entire financial year, as soon as they are approved by the Board.
 - The financial result is required to be submitted to the stock exchange within fifteen minutes of conclusion of the meeting of the Board or Committee.
 - In case the company has subsidiaries and it opts to submit consolidated financial results it can submit the consolidated financials as per the International Financial Reporting Standards (IFRS).
 - The limited review/audit reports submitted to the stock exchanges on a quarterly/annual basis should be given only by an auditor who has subjected himself to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

Approval and authentication

The quarterly financial results submitted should be approved by the Board of Directors of the company or by a committee thereof, other than the audit committee.

If the quarterly financial results are approved by the Committee they are required to be placed before the Board at its next meeting.

The annual audited financial results should be approved by the Board of Directors of the company.

The financial results should be certified by the Chief Executive Officer and Chief Financial Officer of the company, by whatever name called.

The limited review report should be placed before the Board of directors or the Committee before being submitted to the stock exchange where the variation between un-audited financials and financials amended pursuant to limited review for the same period, exceeds 10%. In case the

limited review report is placed before the Committee they should also be placed before the Board at its next meeting.

Signing of financial results

The financial result and annual audited financial results submitted to the stock exchange is required to be signed by the Chairman or managing director, or a whole time director. In the absence of all of them, it should be signed by any other director of the company who is duly authorized by the Board to sign the financial results.

Intimation of Board Meeting

- Give prior intimation of the date and purpose of meetings of the Board or Committee in which the financial results will be considered at least seven clear calendar days prior to the meeting (excluding the date of the intimation and date of the meeting).
- Also simultaneously issue a public notice in at least in one English daily newspaper and in one regional newspaper.

Publication of financial results

- The company should within 48 hours of conclusion of the Board or Committee meeting approving the financial results publish a copy of the financial results in at least in one English daily newspaper and in one daily newspaper published in the regional language.
- In case the company has submitted consolidated financial results in addition to the standalone financial results it is required to publish consolidated financial results along with the following items on a stand alone basis, as a foot note - (a) Turnover (b) Profit before Tax (c) Profit after Tax in the newspapers, subject to the following:
 - It should intimate the stock exchange in the first quarter of the financial year or within such extended period as may be specified by SEBI in this regard and shall not change the same during the financial year;
 - In case the company changes its option in any subsequent year, it should furnish comparable figures for the previous year in accordance with the option exercised for the current year.
 - It shall give a reference in the newspaper publication, to the places, such as the company's website and stock exchanges' websites, where the standalone results of the company are available".
 - Companies that are required to prepare consolidated financial results for the first time at the end of the financial year shall exercise the same option as mentioned above in respect of the quarter during the financial year in which they first acquire the subsidiary.

Other requirements under Clause 41

- The financial results should be prepared in accordance with the AS 25 – Interim Financial Reporting, issued by ICAI / Company (Accounting Standards) Rules, 2006, whichever is applicable.
- Companies which have changed their name suggesting any new line of business pertaining shall disclose the net sales or income, expenditure and net profit or loss after tax figures from such new activities separately in the financial results and should continue to make such disclosures for 3 years succeeding the date of change in name.

- Companies should disclose material events including completion of expansion and diversification programmes, strikes, lock outs, change in management, change in capital structure etc.
- All material non-recurring / abnormal income / gain and expenditure / loss and effect of all changes in accounting practices affecting the profits materially must be disclosed separately.
- Companies with seasonal streams of income should disclose material seasonal variations and the seasonal nature of their activities. They may also supplement their unaudited financial results into information for 12-month periods ended at the interim date (last day of the quarter) for the current and preceding years on a rolling basis.
- To disclose the effect of changes in composition of the company during the quarter including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.
- If the company is yet to commence commercial production, then instead of the quarterly results, the company should give particulars of the status of the project, its implementation and the expected date of commissioning of the project.
- The company is required to disclose the number of investor complaints pending at the beginning of the quarter, those received and disposed of during the quarter and those remaining unresolved at the end of the quarter.
- All items of income and expenditure arising out of transactions of exceptional nature should be disclosed.
- Extraordinary items and Changes in accounting policies, if any, should be disclosed in accordance with Accounting Standard issued by the ICAI/Company (Accounting Standards) Rules, 2006, whichever is applicable.

Dividend

Company shall give the following Information in respect of dividend: -

- Amount of Dividend distributed or proposed distinguishing between different classes of shares and Dividend per share also indicating nominal value per share.
- Where Dividend is paid or proposed pro-rata for shares allotted during the year, the date of allotment, number of shares allotted pro-rata amount of dividend per share and the aggregate amount of dividend paid or proposed on pro-rata basis.

Audit qualifications

- Where there is a variation between the unaudited quarterly or year to date financial results and also in respect of last quarter between the year to date unaudited and audited financial results and the variation in net profit or net loss after tax is in excess of 10% or Rs.10 lakhs, whichever is higher; or the variation in exceptional or extraordinary items is in excess of 10% or Rs.10 lakhs, whichever is higher the company is required to submit to the stock exchange an explanation of the reasons for variations, while submitting the limited review report.
- In case the auditor has expressed any qualification or other reservation regarding audited financial results the company is required to disclose such qualification or other reservation

and impact of the same on the profit or loss, while publishing or submitting such results. In case there is any qualification or other reservation in the audit report or limited review report in respect of the financial results of any previous financial year or quarter, the company is required to include as a note to the financial results –

- (i) how the qualification or other reservation has been resolved; or
- (ii) if it has not been resolved, the reason therefor and the steps which the company intends to take in the matter.

Clause 42 - To make a security deposit with the exchange of an amount calculated at 1% of the amount of securities offered, of which 50% should be paid to the stock exchange in cash and the balance amount can be provided for by way of a bank guarantee. However the amount so payable in cash is limited to Rs. 3 Crores and the security deposit will be released by stock exchange after the issuer obtains “No Objection Certificate” from SEBI.

Clause 43 - To furnish a quarterly statement indicating the variations between projected utilisation of funds and / or projected profitability statement made by it in any offer document or in any explanatory statement and the actual utilisation of funds and/ or actual profitability. This statement should be given for each of the years for which projections have been so given in such documents and the statement shall be published in newspapers simultaneously with the unaudited / audited financial results. If there are material variations, the company shall furnish an explanation therefore both in the advertisement and in the Directors’ Report.

Clause 43 A - To furnish to the stock exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of of proceeds of a public or rights issue from the objects stated in the offer document along with the interim or annual financial results submitted under clause 41 and shall be published in the newspaper simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of clause 49. If the company appoints any monitoring agency and such monitoring agency. has pointed out any material deviation in the use of proceeds or make some reservation regarding the end use of proceeds the company intimate the same to the stock exchange without any delay.

Clause 44 - To comply with the provisions of relevant Act including the Securities Contract Regulations Act, 1956, Securities Contract Regulation Rules, 1957, guidelines issued from time to time by the Government and/or SEBI including the SEBI (ICDR) Regulations, 2009.

Clause 45 - To allot securities offered to the public within 30 days of the closure of the public issue; To pay interest @ 15% p.a. if allotment has not been made and / or refund orders have not been dispatched to the investors within 30 days from the date of the closure of the issue.

Clause 46 - Deleted.

Clause 47 - To appoint the Company Secretary as the Compliance Officer; To undertake a due diligence of the adequacy of the facilities with the RTA; To ensure that the RTA produces a certificate from a practicing company secretary that all transfers have been completed within the stipulated time; To furnish both by way of floppy disks and printed details, within 48 hours of its getting information regarding loss of share certificates and issue of duplicate certificates; To produce a copy of the MOU entered into with the RTA regarding their mutual responsibilities; To designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors and display of the same on their website.

Clause 48 - To co-operate with the Credit Rating Agencies in giving correct and adequate information for periodical review of the securities during lifetime of the rated securities.

Clause 49

Clause 49 and Composition of Board of Directors

Not less than fifty percent of the strength of the Board of Directors should comprise of non-executive directors. If the Chairman of the company is a non-executive chairman, not less than one-third of the strength of the Board should comprise of independent directors and if he is an executive chairman, not less than half of the Board should comprise of independent directors. If the non-executive Chairman is a promoter of the company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the company should consist of independent directors.

Clause 49 and Disclosure in Annual Report

- To disclose all pecuniary relationship or transactions of the non-executive directors *vis-a-vis* the company.
- To disclose particulars of every aspect of remuneration package to directors including service contracts, notice period, severance fees, and stock option details, if any.
- To include a Management Discussion and Analysis Report as part of the directors' report or as an addition thereto.
- To disclose all material financial and commercial transactions in which directors have personal interest, which may have a potential conflict with the interest of the company.
- To disclose details of persons who are proposed to be appointed or re-appointed as directors.
- To include a separate section on Corporate Governance with a detailed compliance report on Corporate Governance and to give reasons for any non-compliance of mandatory requirements.

Clause 49 and Audit Committee

- It should have a minimum of three non-executive directors, a majority of them being independent, and with at least one director having financial and accounting knowledge. The chairman of the committee shall be an independent director.
- The chairman shall be present at Annual General Meeting to answer shareholder queries.
- The finance director, head of internal audit and when required, a representative of the external auditor shall be present as invitees for the meetings of the audit committee.
- The Company Secretary shall act as the secretary to the committee. The audit committee shall meet at least four times in a year.
- One meeting shall be held before finalisation of annual accounts and one every six months.
- The quorum shall be either two members or one third of the members of the audit committee, whichever is higher and minimum of two independent directors.

Clause 49 and Role of Audit Committee

The role of the audit committee shall include the following :

1. To ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered.
4. Reviewing, with the management -
 - the annual financial statements and the quarterly financial statements before submission to the board for approval.
 - the statement of uses / application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notices and the report submitted by the monitoring agency on utilisation of proceeds of a public or rights issue.
 - performance of statutory and internal auditors, adequacy of the internal control systems.
 - the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
5. Discussion with internal auditors any significant findings and also with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
6. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
7. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
8. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
9. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Clause 49 and Committees of Directors

- A director shall not be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a director.
- He should inform the company about the committee positions he occupies in other companies and notify changes as and when they take place.
- For the above only public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act shall be excluded. Only the three committees viz. the Audit Committee, the Shareholders' Grievance Committee and the Remuneration Committee should be counted.

Clause 49 and shareholders grievance committee

It should be under the chairmanship of a non-executive director to look into the redressal of complaints relating to matters such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

Clause 49 and share transfers

To expedite share transfers by delegating the power of share transfer to an officer or a committee or to the registrar and share transfer agents who shall attend to share transfer formalities at least once in a fortnight.

Clause 49 and Compliance Certificate

- To obtain a certificate from the practicing Company Secretaries/auditors of the company regarding compliance of conditions of corporate governance.
- To annex the certificate with the directors' report.
- To send the same to the Stock Exchanges along with the annual returns filed by the company.

Clause 50 - To comply with all the Accounting Standards of ICAI.

Clause 51 - Deleted

Clause 52

- To file on the Corporate Filing and Dissemination System (CFDS), viz., www.corpfiling.co.in such information, statements and reports as may be specified by the Participating Stock Exchanges in this regard.
- The compliance officer shall be responsible for ensuring the correctness, authenticity and comprehensiveness of the information, statements and reports filed and also such information is in conformity with the applicable laws and the listing agreement.
- To ensure that the electronic filing of information through CFDS is in compliance with the Listing Agreement
- To put in place such infrastructure as may be required to comply

Clause 53 - To notify the stock exchange and disseminate through its own website, immediately upon entering into agreements with media companies and/or their associates, disclosures regarding the shareholding of such media companies/associates; details of nominee of the media companies on the Board of the issuer company, any management control or potential conflict of interest arising out of such agreements, etc.; disclosures regarding any other back to back treaties/contracts/agreements/MoUs or similar instruments entered into with media companies and/or their associates for the purpose of advertising, publicity, etc.

Clause 54

- To maintain a functional website containing basic information about the company e.g. details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/or their associates etc.
- To ensure updation of the contents of the website at any given point of time.

Consequences of Non Compliance

Non-compliance of conditions contained in listing agreement entails penalty under the Securities Contracts (Regulation) Act, 1956. Section 21 of the said Act requires listed companies to comply with the conditions of listing agreement. Any non-compliance is punishable under Section 23 of the said Act. SEBI advised stock exchanges to initiate action against companies under Section 23 (2) for violation of Section 21 of the said Act. In this background, it is imperative to note that a listed company should ensure timely compliance of the various clauses of the listing agreement.

Professional Programme

SUBJECT – DUE DILIGENCE AND CORPORATE COMPLIANCE MANAGEMENT

The Non-Banking Financial Companies (Opening of Branch/Subsidiary/Joint Venture/ Representative Office or Undertaking Investment Abroad by NBFCs) Directions, 2011²

Highlights

- Prior Approval of RBI in cases of Opening of branch/subsidiary/joint venture/representative office or undertaking investment abroad by NBFCs
- General and specific conditions prescribed:
 - General conditions
 - a. Investment in non-financial service sectors shall not be permitted.
 - b. Direct investment in activities prohibited under FEMA or in sectoral funds will not be permitted.
 - c. Investments will be permitted only in those entities having their core activity regulated by a financial sector regulator in the host jurisdiction.
 - d. The aggregate overseas investment should not exceed 100% of the Net owned Funds. The overseas investment in a single entity, including its step down subsidiaries, by way of equity or fund based commitment shall not be more than 15% of the NBFC's owned funds.
 - e. Overseas investment should not involve multi layered, cross jurisdictional structures and at most only a single intermediate holding entity shall be permitted.
 - f.(i) The Capital to Risk- Assets Ratio (CRAR) of the deposit taking NBFCs, post investment in subsidiary abroad, should be not less than that applicable to deposit taking NBFCs in terms of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms(Reserve Bank) Directions, 2007, as amended from time to time;
 - (ii) The CRAR of the non-deposit taking, systemically important non-banking financial companies (NBFC-ND-SI), post investment in subsidiary abroad, should be not less than that applicable to them in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended from time to time;
 - (iii) The CRAR of the non-deposit taking NBFCs (other than NBFC-ND-SI), post investment in subsidiary abroad, should not be less than 10%, or as modified from time to time;
 - g. The NBFC should continue to maintain required level of NOF after accounting for investment in the proposed subsidiary/investment abroad as prescribed in the explanation to Section 45-IA of the RBI Act, 1934.

² Compiled by Lakshmi Arun Education Officer, The ICSI

h. The level of Net Non-Performing Assets of the NBFC should not be more than 5% of the net advances;

i. The NBFC should be earning profit for the last three years and its performance in general should be satisfactory during the period of its existence.

j. The NBFC shall comply with the regulations issued under FEMA, 1999 from time to time;

k. Regulatory compliance and servicing of public deposits, if held by the NBFC, should be satisfactory

l. The NBFC shall comply with the KYC norms;

m. SPVs set up abroad or acquisition abroad shall be treated as investment or subsidiary/joint venture abroad, depending upon percentage of investment in overseas entity;

n. An annual certificate from statutory auditors shall be submitted by the NBFC to the Regional Office of Department of Non-Banking Supervision (DNBS) where it is registered, certifying that it has fully complied with all the conditions stipulated under these Guidelines for overseas investment;

o. A quarterly return shall be submitted by the NBFC to the Regional Office of DNBS and also Department of Statistics and Information Management (DSIM)

p. If any adverse features come to the notice of the Bank, the permission granted shall be withdrawn. All approvals for investment abroad shall be subject to this condition.

Specific conditions.

(A) Opening of Branch

As a general policy, NBFCs shall not be allowed to open a branch abroad. However Non-banking financial companies which have already set up branch(es) abroad for undertaking financial business shall be allowed to continue to operate them subject to complying with the revised guidelines, as applicable.

(B) Opening of subsidiary abroad by NBFCs

In case of opening of a subsidiary abroad by the NBFCs, all the conditions as stipulated above shall be applicable. The NoC to be issued by the Bank is independent of the overseas regulators' approval process. In addition, the following stipulations are made, which shall be applicable to all NBFCs:

a. In case of opening of subsidiary abroad, the parent NBFC shall not be permitted to extend implicit or explicit guarantee to or on behalf of such subsidiaries;

b. No request for letter of comfort in favour of the subsidiary abroad from any institution in India shall be permitted;

c. It shall be ensured that NBFC's liability in the proposed overseas entity is restricted to its either equity or fund based commitment to the subsidiary;

d. The subsidiary being established abroad should not be a shell company i.e "a company that is incorporated, but has no significant assets or operations." However companies undertaking activities such as financial consultancy and advisory services with no significant assets shall not be considered as shell companies;

e. The subsidiary being established abroad by the NBFC should not be used as a vehicle for raising resources for creating assets in India for the Indian operations;

f. In order to ensure compliance of the provisions, the parent NBFC shall obtain periodical reports/audit reports about the business undertaken by the subsidiary abroad and shall make them available to Reserve Bank and inspecting officials of the Bank;

g. If the subsidiary has not undertaken any activity or such reports are not forthcoming, the approvals given for setting up a subsidiary abroad shall be reviewed/ recalled;

h. The permission granted to any NBFC for setting up of overseas subsidiary shall be subject to condition that the subsidiary shall make disclosure in its Balance Sheet to the effect that liability of the parent entity in the proposed overseas entity shall be limited to its either equity or fund based commitment to the subsidiary;

i. All the operations of the subsidiary abroad shall be subject to regulatory prescriptions of the host country.

(C) Joint Ventures abroad

Investments abroad, other than in subsidiaries also shall be governed by same guidelines as those applicable to subsidiaries.

(D) Opening of representative offices abroad by NBFCs

The representative office can be set up abroad for the purpose of liaison work, undertaking market study and research but not undertaking any activity which involves outlay of funds, provided it is subject to regulation by a regulator in the host country. As it is not envisaged that such office would be carrying on any activity other than liaison work, no line of credit should be extended.

The parent NBFC shall obtain periodical reports about the business undertaken by the representative office abroad. If the representative office has not undertaken any activity or such reports are not forthcoming, the approvals given for the purpose shall be reviewed/ recalled.

ATTENTION STUDENTS!

Applicability of the latest Finance Act and other changes for Company Secretaries December, 2011 Examination.

DIRECT TAXES

All students may note that for the December 2011 Examination Session in respect of Direct Taxes the applicable Assessment Year shall be 2011-12 (Previous Year 2010-11). Thus, they will have to study Finance Act, 2010 for December 2011 Examination. Further as per the Syllabus, (of Executive Programme and Professional Programme) students are required to update themselves about all the

Circulars, Clarifications, Notifications, etc., issued by the CBDT & Central Government, which come into effect on or before six months prior to the date of the respective examinations.

Gift Tax Act has been excluded from the scope of the examination from June 1999 session onwards unless otherwise informed.

INDIRECT TAXES

Students appearing in the 'Tax Laws' (Indirect Tax Portion to the extent of topics covered in the syllabus, of 'Executive Programme') and Advanced Tax Laws and Practice (Professional Programme) respectively may take note of the following changes applicable for December 2011 Examination.

1. All changes made by the Finance Act, 2011.
2. All Circulars, Clarifications/Notifications issued by CBEC / Central Government which became effective six months prior to the date of examination.

News from the Institute

SECRETARIAL MODULAR TRAINING PROGRAMMES (SMTPS)/ MANAGEMENT SKILLS ORIENTATION PROGRAMME (MSOPs) ORGANISED BY H.Q./REGIONAL COUNCILS/ CHAPTERS

ELIGIBILITY OF PARTICIPANTS: ICSI Final/Professional programme passed candidates and have completed 15 months training or exempted there from. COURSE CONTENTS: Module I – MCA21, Module II – Practical & Procedural Aspects of Convening and Conducting Board Meetings & Annual General Meetings and Related Aspects, Module III – Managing Public Issues, Module IV – Loan Documentation, Joint Ventures & Foreign Collaborations, Raising Finance through EURO Issues & Export and Import Procedures and Documentation, Module V – Practical and Procedural Aspects relating to Appearance before CLB/Under SICA, Consumer Protection Act and Case Studies in RTP/UTP. In addition, the participants would be exposed to case studies and mock board/general meeting, etc.

Organised By	Duration of the Programme	Venue of the Programme	Contact
SIRO	<p>MSOP</p> <p>9TH 12.09.2011 to 28.09.2011</p> <p>10TH 16.11.2011 to 02.12.2011</p>	Office Premises	<p>Ms. Sarah Arokiaswamy Joint Director ICSI-SIRC HOUSE No. 9, Wheat Crofts Road Nunga,nalla, Chennai-600034 Ph. 044-28279898 / 28222212 Telefax:28268685 E.Mail: siro@icsi.edu icsisirc@md3.vsnl.net.in</p>
Bangalore Chapter	<p>MSOP</p> <p>05.09.2011 to 21.09.2011</p> <p>08.11.2011 to 25.11.2011</p>	Office Premises	<p>Ms. Sangeetha Flora Assistant Director & Programme Co-ordinator Bangalore Chapter of the ICSI Sheriff Chambers, 3rd Floor</p>

			Rear Block, 14, Cunningham Road Bangalore – 560 052 Phone: 22286574/22287158 Tele Fax: 22261861 (STD Code: 080) E-Mail: bangalore@icsi.edu; icsibc@sify.com
Bhubaneswar	MSOP /SMTP 15.09.2011 TO 01.10.2011	Office Premises	Programme Co-Ordinator/ Office-In-Charge Bhubaneswar Chapter Of The ICSI ICSI Building, Plot No. 70, VIP Colony IRC Village, Bhubaneswar – 751 015 Ph. 0674-2552282 Email: bhubaneshwar@icsi.edu
NIRO	MSOP 154th 01.08.2011 To 19.08.2011 155 th 01.09.2011 To 20.09.2011 156 th 03.10.2011 To 21.10.2011 157 th 02.11.2011 To 22.11.2011 158 th 29.11.2011 To 16.12.2011 159 th 20.12.2011 To 05.01.2012	Office Premises	Programme Co-Ordinator ICSI-NIRC Building Plot No.4 Prasad Nagar Institutional Area, Near Rajendra Place New Delhi - 110005 Phone - 011-25816593, 49343008 Email: niro@icsi.edu
EIRO	MSOP 67th 01.08.2011 To 18.08.2011	Office Premises	Programme Co-ordinator ICSI-EIRC Building 3A, Ahiripukur, 1st Lane Kolkata 700 019 Ph. 033-22832973/22816541/42 Fax: 22816542 Email-eiro@icsi.edu
CCGRT	MSOP (Residential) 9th 16.09.2011 To 01.10.2011 10th 10.11.2011 To 25.11.2011	Office Premises	Program Co-ordinator ICSI-CCGRT Plot No. 101, Sector 15, Institutional Area CBD Belapur, Navi Mumbai Ph. 022-41021504/05 Email-icsiccgrt@gmail.com

STUDENT INDUCTION PROGRAMMES (SIPs)

CCGRT	SIP 01.08.2011 to 08.08.2011	Office Premises	Program Co-ordinator ICSI-CCGRT Plot No. 101, Sector 15, Institutional Area CBD Belapur, Navi Mumbai Ph. 022-41021504/05 Email-icsiccgrt@gmail.com
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SIRO	SIP 04.08.2011 to 12.08.2011 05.09.2011 to 13.09.2011 17.10.2011 to 25.10.2011 14.11.2011 to 22.11.2011 12.12.2011 to 20.12.2011	Office Premises	Ms. Sarah Arokiaswamy Joint Director ICSI-SIRC HOUSE No. 9, Wheat Crofts Road Nunga,nalla, Chennai-600034 Ph. 044-28279898 / 28222212 Telefax:28268685 E.Mail: siro@icsi.edu icsisirc@md3.vsnl.net.in
NIRO	SIP 24th 15.07.2011 to 22.07.2011 25th 25.07.2011 to 01.08.2011	Office Premises	The Executive Officer NIRC of the ICSI ICSI-NIRC Building Plot No. 4, Prasad Nagar Institutional Area, New Delhi- 110005 Tel. 25763090/ 25767190/ 25816593 Fax: 25722662 (STD CODE:011) E-Mail: niro@icsi.edu
Bangalore Chapter	SIP 01.08.2011 to 09.08.2011 06.09.2011 to 14.09.2011 10.10.2011 to 18.10.2011 14.11.2011 to 22.11.2011 12.12.2011 to 20.12.2011	Office Premises	Ms. Sangeetha Flora Assistant Director & Programme Co-ordinator Bangalore Chapter of the ICSI Sheriff Chambers, 3 rd Floor Rear Block, 14, Cunningham Road Bangalore – 560 052 Phone: 22286574/22287158 Tele Fax: 22261861 (STD Code: 080) E-Mail: bangalore@icsi.edu ; icsibc@sify.com
Jaipur	SIP 04.07.2011 to 11.07.2011 25.07.2011 to 01.08.2011	Office Premises	Mr. Animesh Srivastava Executive Officer 'ICSI House', A-5/A, Institutional Area Jhalana Doongri Jaipur-302 004 Email- jaipur@icsi.edu ; jaipuricsi@gmail.com
Pune	SIP 8 th 25.07.2011 to 02.08.2011	Pudumjee Hall, MCCIA, Tilak Road, Pune	Mr. Anil R. Tale Executive Officer Pune Chapter of ICSI 23 Mukund Nagar, Corner of Lane No. 1, Above Dr. Joshi Hospital, Pune-411037 Tel – 24263228 /24260341 Fax-24260341 Email- pune@icsi.edu
Kanpur	04.09.2011 to 10.09.2011	Chapter Premises	Programme Co-Ordinator Kanpur Chapter of NIRC of the ICSI 118/90, "GUMTI-PLAZA" Kaushalpuri, Gumti No – 05 Kanpur – 208012 Phones : 0512-2296535, 09450154662 (Mobile) e.mail : santoshkicsi@yahoo.in ; kanpur@icsi.edu

TRAINING ORIENTATION PROGRAMMES (TOPs)/ EXECUTIVE DEVELOPMENT PROGRAMMES (EDPs)

NIRO	TOP 79 th 25.07.2011 to 29.07.2011 80 th 22.08.2011 to 26.08.2011	Office Premises	The Executive Officer NIRC of the ICSI ICSI-NIRC Building Plot No. 4, Prasad Nagar Institutional Area, New Delhi- 110005 Tel. 25763090/ 25767190/ 25816593 Fax: 25722662 (STD CODE:011) E-Mail: niro@icsi.edu / icsi@eth.net
CCGRT	EDP 05.09.2011 to 13.09.2011	Office Premises	Program Co-ordinator ICSI-CCGRT Plot No. 101, Sector 15, Institutional Area CBD Belapur, Navi Mumbai Ph. 022-41021504/05 Email-icsiccgrrt@gmail.com
SIRO	EDP 7 TH 07.09.2011 to 16.09.2011 8 TH 10.10.2011 to 19.10.2011 9 TH 21.11.2011 to 30.11.2011	Office Premises	Ms. Sarah Arokiaswamy Joint Director ICSI-SIRC HOUSE No. 9, Wheat Crofts Road Nunga,nalla, Chennai-600034 Ph. 044-28279898 / 28222212 Telefax:28268685 E.Mail: siro@icsi.edu icsisirc@md3.vsnl.net.in
Bhubaneswar Chapter	EDP 12.10.2011 TO 19.10.2011	Office Premises	Programme Co-Ordinator/ Office-In-Charge Bhubaneswar Chapter Of The ICSI ICSI Building, Plot No. 70, Vip Colony IRC Village, Bhubaneswar – 751 015 Ph. 0674-2552282 Email: Bhubaneswar@Icsi.Edu
Bangalore Chapter	EDP 17.08.2011 to 26.08.2011 11.10.2011 to 20.10.2011 13.12.2011 to 22.12.2011	Office Premises	Ms. Sangeetha Flora Assistant Director & Programme Co-ordinator Bangalore Chapter of the ICSI Sheriff Chambers, 3 rd Floor Rear Block, 14, Cunningham Road Bangalore – 560 052 Phone: 22286574/22287158 Tele Fax: 22261861 (STD Code: 080) E-Mail: bangalore@icsi.edu ; icsibc@sify.com
Jaipur	EDP 13.07.2011 to 21.07.2011 04.08.2011 to 12.08.2011	Office Premises	Mr. Animesh Srivastava Executive Officer 'ICSI House', A-5/A, Institutional Area Jhalana Doongri Jaipur-302 004 jaipur@icsi.edu ; jaipuricsi@gmail.com
Kanpur	04.09.2011 to 11.09.2011	Chapter Premises	Programme Co-Ordinator Kanpur Chapter of NIRC of the ICSI 118/90, "GUMTI-PLAZA" Kaushalpuri, Gumti No – 05 Kanpur – 208012 Phones : 0512-2296535, 09450154662 (Mobile) e.mail : santoshkicsi@yahoo.in ;

PROFESSIONAL DEVELOPMENT PROGRAMMES (PDPs)

SIRO	PDP	Office	Ms. Sarah Arokiaswamy Joint Director ICSI-SIRC HOUSE No. 9, Wheat Crofts Road Nunga,nalla, Chennai-600034 Ph. 044-28279898 / 28222212 Telefax:28268685 E.Mail: siro@icsi.edu icsisirc@md3.vsnl.net.in
	13 TH 22.07.2011	Premises	
	14 TH 12.08.2011		
	15 TH 26.08.2011		
	16 TH 09.09.2011		
	17 TH 23.09.2011		
	18 TH 14.10.2011		
	19 TH 28.10.2011		
	20 TH 11.11.2011		
	21 ST 25.11.2011		
22 ND 09.12.2011			
23 RD 23.12.2011			

ICSI- CCGRT, NAVI MUMBAI	STUDENT INDUCTION PROGRAM (SIP)	MONDAY, AUGUST 01, 2011 To MONDAY, AUGUST 08, 2011	ICSI-CCGRT, PLOT No. 101, SECTOR 15, INSTITUTIONAL AREA, CBD BELAPUR, NAVI MUMBAI	PROGRAM CO-ORDINATOR ICSI-CCGRT, PH : 022-41021504/05 EMAIL : ICSICCGRT@GMAIL.COM
	EXECUTIVE DEVELOPMENT PROGRAM (EDP)	MONDAY, SEPTEMBER 05, 2011 To TUESDAY, SEPTEMBER 13, 2011	ICSI-CCGRT, PLOT No. 101, SECTOR 15, INSTITUTIONAL AREA, CBD BELAPUR, NAVI MUMBAI	PROGRAM CO-ORDINATOR ICSI-CCGRT, PH : 022-41021504/05 EMAIL : ICSICCGRT@GMAIL.COM
	THE 9 TH RESIDENTIAL MANGEMENT SKILLS	FRIDAY, SEPTEMBER 16, 2011 TO SATURDAY,	ICSI-CCGRT, PLOT No. 101, SECTOR 15, INSTITUTIONAL	PROGRAM CO-ORDINATOR ICSI-CCGRT, PH : 022-41021504/05 EMAIL :

	ORIENTATION PROGRAM (RMSOP)	OCTOBER 1, 2011	AREA, CBD BELAPUR, NAVI MUMBAI	ICSICCGRT@GMAIL.COM
	THE 10 TH RESIDENTIAL MANAGEMENT SKILLS ORIENTATION PROGRAM (RMSOP)	THURSDAY, NOVEMBER 10TH TO FRIDAY, NOVEMBER, NOVEMBER 25TH 2011.	ICSI-CCGRT, PLOT No. 101, SECTOR 15, INSTITUTIONAL AREA, CBD BELAPUR, NAVI MUMBAI	PROGRAM CO-ORDINATOR ICSI-CCGRT, PH : 022-41021504/05 EMAIL : ICSICCGRT@GMAIL.COM

LIST OF THE COMPANIES REGISTERED FOR IMPARTING TRAINING DURING THE MONTH OF MAY-2011

REGION	TRAINING TYPE	STIPEND (Rs).
NORTHERN		
Bazaari Global Finance Ltd. E-66, Kalpatru Shopping Centre Shastri Nagar Jodhpur-342003	03 Months Practical Training	Suitable
MVL Industries Limited Media House, B-86/1 Phase – II, Okhla Industrial Area New Delhi - 110020	15 Months Training	Rs.3,500
Rajasthan State Ganganagar Sugar Mills Limited 4 th Floor, Nehru Sahakar Bhawan Bhawani Singh Road Jaipur-302001	15 and 03 months Practical Training	Suitable
Nokia India Private Limited Plot No. 243, SP Info City Udyog Vihar, Phase-1 Gurgaon-122002	15 months Training	Suitable
Sarvpriya Industries Limited 39 km Stone Delhi-Jaipur Hightway Narsinghpur Gurgaon-122001	15 and 03 Months Practical Training	Suitable
Peshawar Soap & Chemicals Pvt.Ltd. B-4, Sector-8 Rohini Delhi-110085	15 and 03 Months Practical Training	Suitable
Nokia India Private Limited	15 Months Training	Suitable

Plot No. 243, SP Info City
Udyog Vihar, Phase-1
Gurgaon-122002

White 'n' White Minerals Pvt. Ltd.
Jodhpur Tower. Paota Circle
Jodhpur-342010

15 and 03 Months
Practical Training

Suitable

Amerprise India Pvt. Ltd.
Plot No. 81, Sector-32
Gurgaon
Haryana-122075

15 Months Training

Suitable

R.Systems International Ltd.
C-40, Sector-59
Noida-201307
Distt. Gautam Budh Nagar
U.P.

03 Months
Practical Training

Suitable

Ashlar Commodities Pvt.Ltd.
411, Arunachal Bhawan
19, Barakhamba Road
New Delhi-110001

15 and 03 Months
Practical Training

Suitable

Yash Papers Limited
Yash Nagar
Faizabad-224135
UP

15 and 03 Months
Practical Training

Suitable

Fairwealth Securities Limited
651-652, Udyog Vihar
Phase-V
Gurgaon-122001

15 and 03 Months
Practical Training

7,500

International Institute of Planning and
Management Pvt. Ltd.
IIPM Campus, Chattarpur Bhatimines Road
Satbari
Chandan Hauza
New Delhi-110074

15 Months Training

Suitable

WESTERN

Tipsons Consultancy Services Pvt. Ltd.
(Merchant Banker)
401, Sheraton House
Opp. Ketav Petrol Pump
Polytechnic Road, Ambawadi
Ahmedabad-380015

15 and 03 Months
Practical Training

Suitable

CIL Textile Pvt.Ltd.
302, Oasis Trade Centre
22/20, Y.N.Road
Indore-452003
MP

15 and 03 Months
Practical Training

Suitable

Nilons Enterprises Pvt. Ltd.
Sundarban Complex, 1st Floor
Survey No. 131/1A/5

15 Months Training

Suitable

Nr. Ganesh Dutta Temple
Nr. Balewadi Phata, Balewadi Road
Baner Pune – 411 045

Acrow India Limited 15 Months Training Suitable
10, World Trade Centre
Arcade Cuffe Parade
Mumbai – 400 005

First Policy Insurance Brokers Pvt.Ltd. 15 Months Training 10,000
“G”Building , Kunal Puram Commercial
Complex , Old – Pune Road
Dapodi , Pune – 411012.

Godavari Biorefineries Limited 15 and 03 Months Suitable
Somaiya Bhavan
45/47, Mahatma Gandhi Road
Fort
Mumbai-400001
Practical Training

Omkar Speciality Chemicals Limited 15 Months Training Suitable
B-34, Badlapur (East)
MIDC
Thane-421203
Maharashtra

Just Dial Pvt.Ltd. 15 Months Training Suitable
Palmcourt Building
M-501/B, 5th Floor
Besides Goregaon Sports Club
Link Road, Malad (West)
Mumbai-400064

Itarsi Oils & Flours Limited 15 and 03 Months 3500-5000
K N Buidling, Subhash Road
Raipur -492001
Chhattisgarh
Practical Training

SOUTHERN

Narottamka Trade and Vyappar Pvt Ltd. 15 and 03 Months Suitable
42A, 2nd Floor
Bheemanna Mudali Garden Road
Alwarpet
Chennai-600018
Practical Training

GVR Infra Projects Limited 15 and 03 Months 5,000
Plot No. 231, Swami Ayyappa Society
Madhapur
Hyderabad-500081
Practical Training

GMR Hyderabad International 03 Months Suitable
Airport Limited
GMR Hall, Airport Office
Rajiv Gandhi Internatonal Airport
Shamshabad
Hyderabad-500409
Practical Training

Take Solution Ltd 15 Months Training Suitable

80/81, MBC Towers,
7th Floor, Alwarpet
Chennai – 600 018

MSPL Limited
Baldota Enclave,
Abheraj Baldota Road
Hospet-583203
Karnataka

15 and 03 Months
Practical Training

5,000-10,000

Boyance Infrastructure Pvt.Ltd.
No.15, 4th Floor, Opp. To Shopper's Stop
Bannerghatta Road, J.P.Nagar
3rd Phase
Bangalore-560076

15 and 03 Months
Practical Training

Suitable

Kerala State Women's Development
Corporation Ltd.
TC 20/2170, Opp. Manmohan Bungalow
Kowdiar.PO.
Thiruvananthapuram-695003
Kerala

15 Months Training

Suitable

Susee Automobiles (P) Ltd.
Plot No. H-4, SIDCO Industrial Estate
Madurai to Viradhunagar Highway
Kappalur, Madurai-625008

15 and 03 Months
Practical Training

Suitable

Golden Jubilee Hotels Limited
Survey No. 64,
Beside Shilpakalvedika
Shilparamam, Madhapur
Hyderabad-500081

15 Months Training

.5,000-12,000

EASTERN

Juipster International Ltd.
"Unnanayam"
20A, Ashutosh Choudhury Avenue
Kolkata-700019

15 Months Training

Suitable

Chandi Steel Industries Limited
3, Bentinck Street, 1st Floor
Kolkata-700001

15 Months Training

4,000-6,000

Microsec Capital Limited
Shivam Chambers, 1st Floor
53, Syed Amir Ali Avenue
Kolkata-700019

03 Months
Practical Training

Suitable

SM Cokes Limited
3rd Floor, Anil Plaza, G.S Road,
Guwahati – 781 005

15 Months Training

5000

Arcelor Mittal Design and Engineering
Centre Private Limited
South City Pinnacle ,Level 9 ,
Priemises no . XI, Block –EP,

15 Months Training

Suitable

sector-V , salt Lake,
Kolkata-700091,India

Jagrati Trade Services Pvt. Ltd.
8th Floor, 3A, Shakespeare Sarani
Kolkata-700071
West Bengal

15 Months Training

Suitable

McNally Bharat Engineering
Company Ltd.
Ecospace Campus
2B, 11 F/12, Old Plot No. AA II/Blk 3)
New Town, rajarhat North
24, Parganas
Kolkata-7500156

15 Months Training

Suitable

Cosmic Ferro Alloys Limited
"Sikkim Commerce House"
4/1, Middleton Street
4th Floor
Kolkata-700071

03 Months
Practical Training

3,500

LIST OF PRACTISING MEMBERS REGISTERED FOR THE PURPOSE OF IMPARTING TRAINING DURING THE MONTH OF MAY, 2011

MR./MS. ASHUTOSH AGGARWAL
COMPANY SECRETARY IN PRACTICE
35, TYAGI VIHAR –B
DHARAM COLONY
NANGLOI
DELHI - 110 041

PCSA –2564

MR./MS. ANANT KUMAR JHA
COMPANY SECRETARY IN PRACTICE
304, SOUTH EXT. PLAZA 2
SOUTH EXT. PART -2
NEW DELHI -110 049

PCSA –2565

MR./MS. PAYAL MANILAL GALA
COMPANY SECRETARY IN PRACTICE
R.NO.-1, 3RD FLOOR, VIJAY WADI
426/30, J.S.S. ROAD, CHIRA BAZAR
MUMBAI – 400 002

PCSA –2566

MR./MS. MURALI KANNIYATH
COMPANY SECRETARY IN PRACTICE
S.D. COMPLEX, 1ST FLOOR
ROOM NO. T.P. (N) , 3/355, SOUTH BAZAR
(P.O) CIVIL STATION, KANNUR
KERALA – 670 002

PCSA –2567

MR./MS. ANU PASRIJA

PCSA –2568

COMPANY SECRETARY IN PRACTICE
41-C, ADARSH COLONY, SHINDE KI CHAWNI
LASHKAR GWALIOR

MR./MS. JAYESH RAMJIBHAI DOBARIA
COMPANY SECRETARY IN PRACTICE
79, 3RD FLOOR, SAMRUDHHI BHAVAN
OPP. BOMBAY PETROL PUMP
GONDAL ROAD
RAJKOT – 360 002

PCSA –2569

MR./MS. KAJAL VYAS
COMPANY SECRETARY IN PRACTICE
B/14, ANAND MANGAL FLATS
OPP. AMUL GARDEN
NR. SHYAMAL CROSS ROADS, STATELLITE
AHMEDABAD – 380 015

PCSA –2570

MR./MS. CHARU VINAYAK
COMPANY SECRETARY IN PRACTICE
367/17, KRISHNA NAGAR
JALANDHAR – 144 008

PCSA –2571

MR./MS. MANISHA C. KHATER
COMPANY SECRETARY IN PRACTICE
SANGEET COMPLEX, 10-C-310
JESAL PARK, BHAYANDER (E)
THANE – 401 105

PCSA –2572

MR./MS. KAMLA KANT TIWARI
COMPANY SECRETARY IN PRACTICE
1ST FLOOR, M-13 (DS)
HARMU HOUSING COLONY
NR. BJP STATE OFFICE
HARMU ROAD
RANCHI – 834 002

PCSA –2573

MR./MS. NAVEEN NARANG
COMPANY SECRETARY IN PRACTICE
H-3/157, SECOND FLOOR
VIKAS PURI
NEW DELHI – 110 018

PCSA –2574

MR./MS. JAYARAM UMESH POOJARI
COMPANY SECRETARY IN PRACTICE
A-60/1220, AZAD NAGAR
VEERA DESAI ROAD, ANDHERI (W)
MUMBAI – 400 053

PCSA

–2575

MR./MS. SANDHYA LAKSHMI KAKUMANI
COMPANY SECRETARY IN PRACTICE
NO.-9, KEDAR PUSHP NIVAS
1ST MAIN, K.R. GARDEN
MURUGESHPALYA
BANGALORE – 560 017

PCSA –2576

MR./MS. VISHAL NAVINCHANDRA MEHTA
COMPANY SECRETARY IN PRACTICE
2/45, SHREEKUNJ FLATS
OPP. SAMARPAN TOWERS, GHATLODIA
PRABHAT CHOWK, RANNAPARK
AHMEDABAD – 380 061

PCSA –2577

MR./MS. SANJEEV KUMAR. JHA
COMPANY SECRETARY IN PRACTICE
A-141 POCKET 11 ,
JASOLA VIHAR,
NEW DELHI -110 025

PCSA –2578

RAKESH AGARAWAL
COMPANY SECRETARY IN PRACTICE
135, A.C.R.AVENUE ,
IST FLOOR ,ROOM N0-9
KOLKATA-700 007

PCSA –2579

MR./MS. RINKU GUPTA
COMPANY SECRETARY IN PRACTICE
28,NIRMAL CHANDRA STREET, IST FLOOR
KOLKATA- 700 012

PCSA –2580

MR./MS. SUMEET KHANNA
COMPANY SECRETARY IN PRACTICE
SHOP NO-30 GOKUL NAGRI
II CHS THAKUR VILLAGE
KANDIVALI EAST - 400 101

PCSA –2581

MR./MS. RADHA KRISHNA RAO
COMPANY SECRETARY IN PRACTICE
MUTHAPPA BLOCK ,4TH CROSS
GANGANAGAR EXTENSION
BINNY MILL ROAD, RT NAGAR
BANGALORE- 560 032

PCSA –2582

MR./MS. AKELLA NARASIMHA SARMA
COMPANY SECRETARY IN PRACTICE
503 B, MAHESHWARI CHAMBERS
SOMA JI GUDA
HYDERABAD – 500 082

PCSA –2583

MR./MS. T.RAMESH
COMPANY SECRETARY IN PRACTICE
60, 4TH MAIN , S.S.A.ROAD , HEBBAL
BANGALORE - 560 024

PCSA –2584

MR./MS. RAJU ANANTHANARAYAN
COMPANY SECRETARY IN PRACTICE
SHOP NO-30 GOKUL NAGRI
II CHS , THAKUR VILLAGE
KANDIVALI EAST - 400 101

PCSA –2585

MR./MS. V.BASU SANKARA SUBRA MANIAN
COMPANY SECRETARY IN PRACTICE
571/2, 'G' ANNA SALAT TEYNAM PET
CHENNAI- 600 018

PCSA –2586

MR./MS. K.P CHANDRA MOHANA
COMPANY SECRETARY IN PRACTICE
NO.- 118, IST FLOOR, POLICE STATION ROAD
BASAVANAGUD
BANGALORE-560 004

PCSA –2587

MR./MS. LAXMI NARAYAN TAPARIA
COMPANY SECRETARY IN PRACTICE
A-74, SECTOR -30, NOIDA
DIST :GBNAGAR , (UP)-1201303

PCSA –2588

MR./MS. SHEETAL KHURANA
COMPANY SECRETARY IN PRACTICE
55, SHUBHALAYA, NEAR RAJEEV GANDHI COLLEGE.
TRILANGA MAIN ROAD
E-8 GULMOHAR
BHOPAL

PCSA –2589

MR./MS MOHD AKRAM
COMPANY SECRETARY IN PRACTICE
NO.2 RAMAYAN CHS KANDERAPADA , DAHISAR (W)
MUMBAI-400068

PCSA –2590

MR./MS. R.PARTHASARATHI
COMPANY SECRETARY IN PRACTICE
188, IST FLOOR , ALCOBO NAGAR , 9TH MAIN
II CROSS, BT M II STAGE
BANGALORE- 560 076

PCSA –2591

MR./MS. MANISHA SARAF
COMPANY SECRETARY IN PRACTICE
52, BALARAM DEY STREET,

PCSA –2592

KOLKATA-700 006

MR./MS. HARNATHARAM CHOUDHARY
COMPANY SECRETARY IN PRACTICE
NO.2 RAMAYAN CHS KANDERPADA
DAHISAR (W)
MUMBAI- 400 068

PCSA –2593

MR./MS. LEENA KUMAWAT
COMPANY SECRETARY IN PRACTICE
SHILP COLONY TEJAIT TEMPLE ,
JHOTWARA, JHOTWOWARA ,
JAIPUR-302 012

PCSA –2594

MR./MS. SHILPA R. BHARADIA
COMPANY SECRETARY IN PRACTICE
C-3 AJANTA FLATS , NARANPURA CROSS ROADS,
AHMEDABAD-380 013

PCSA –2595

MR./MS. SURENDRA PRATAP SHAHI
COMPANY SECRETARY IN PRACTICE
ABOVE BOMBAY GARMENTS , CENEMA ROAD,
GOLGHAR, GORAKHPUR- 273 001

PCSA –2596

MR./MS. SUNIL YADAV
COMPANY SECRETARY IN PRACTICE
4D/14, BASEMENT, OLDRAJINDER NAGAR
NEW DELHI – 110 060

PCSA –2597

MR./MS. PARESH P VEKARIA
COMPANY SECRETARY IN PRACTICE
A/31, YASH PLAZA, VARACHHA ROAD
OPP. DHANAMAL MILL
SURAT – 395 006

PCSA –2598

Attention Students

In accordance with the Guidelines for Apprenticeship Training by Company Secretaries, 1985, the Company Secretaries in Practice imparting training to the students are required to pay a minimum stipend Rs.500/- per month. The Training & Educational Facilities Committee of the Council in its 94th Meeting held on 4th November, 2009, has increased the minimum stipend from Rs. 500/- (Rupees five hundred only) to Rs. 2000- (Rupees two thousand only) per month.

SMS SERVICE FOR THE STUDENTS OF THE ICSI

SMS PULL SERVICE

Students would be happy to know that the Institute has launched SMS Pull Services for the benefits of its students.

How to use this facility?

To avail this service, the students have to send a SMS at 9891240000. Contents of this SMS should contain the matter in any one of the following input formats along with the respective student's registration member. In case of SEML service, the student has also to provide email address in addition to his/her registration number.

The purpose and input format for using these facilities are mentioned below:

1. SREG

Using this, students can register their mobile number. The mobile from which the SMS would be sent will be registered as the mobile number of the student.

Input format (Eg;) : **SREG 120345678/09/2007**

*** Where SREG is the code for the service and '120345678/09/2007' is the student registration number (in 17 characters).*

2. SADD

Using this, the students can know their address as per Institute's Records

Input format (Eg;) : **SADD 120345678/09/2007**

*** Where SADD is the code for the service and '120345678/09/2007' is the registration number (in 17 characters).*

3. SEML

Using this, the students can register their email address with the institute. The email would be used for future communication.

Input format (Eg;) : **SEML 120345678/09/2007 abc@yahoo.com**

*** Where SEML is the code for the service, '120345678/09/2007' is the registration number (in 17 characters) and abc@yahoo.com is the email id of the student.*

4. SCCN

Using this, the students can know their status of coaching Completion Certificate.

Input format (Eg;) : **SCCN 120345678/09/2007**

*** Where SCCN is the code for the service and '120345678/09/2007' is the registration number (in 17 characters).*

GIST OF IMPORTANT CASES

CORPORATE LAWS

SRM ENERGY LIMITED v. SEBI & ANR [SAT]

Appeal No. 34 of 2011

N. K. Sodhi (PO), P. K. Malhotra & S. S. N. Moorthy (M). [Decided on 06/06/2011]

Companies Act, 1956 - Sections 81(1) & 81(3) - further issue of capital - rights issue - Promoter company adjusted loans advanced by it against the share money - SEBI objected to this - whether objection valid - Held, No.

Brief facts: With a view to mobilize further funds for the power project, the appellant company came out with a rights issue and decided to issue shares on rights basis to its shareholders. On July 8, 2010 the board of directors of the appellant passed a resolution deciding to issue shares on rights basis and sought the approval of the shareholders by a resolution through postal ballot. It was, *inter alia*, stated in the notice that the rights issue was for funding the implementation of the power project. On August 13, 2010 the shareholders of the appellant passed a unanimous resolution through postal ballot approving the rights issue.

Since Spice Energy Pvt. Ltd (SEPL), the promoter of the appellant, was holding 71.19 per cent shares on the date of the rights issue, its entitlement in that issue worked out to 4,19,25,000 shares amounting to Rs. 4192.50 lakhs. As already noticed above, SEPL had already brought in funds to the extent of Rs. 4052.05 lakhs till August 12, 2010 which were shown as unsecured loans in the books of the appellant. According to the appellant, there was an oral understanding between it and the promoter (SEPL) at the time of providing funds from time to time that if and when the appellant came out with a rights issue, the unsecured loans would be adjusted against the share price. SEPL by its letter of August 13, 2010 authorised the appellant company to adjust the unsecured loans hitherto provided to the appellant towards its entitlement in the proposed rights issue making it clear that if there was any short fall, the same would be subscribed by the promoter (SEPL).

On August 17, 2010, the appellant company through its merchant banker filed with the Securities and Exchange Board of India (hereinafter called the Board) a draft letter of offer for the rights issue which was to be sent to the shareholders. It was specifically mentioned in the draft letter of offer that the unsecured loans lying in the books of the company and due to SEPL shall be adjusted towards the price of the shares as per the entitlement of the latter. On receipt of the letter of offer, the Board examined the same and informed the merchant banker that it does not approve the adjustment of loan against the share money. Feeling aggrieved by this direction, the appellant has come up in appeal.

Decision: Appeal allowed.

Reason: Whether the unsecured loans advanced by the promoter group could be adjusted against allotment of shares to them in the rights issue is the solitary question that arises in this appeal.

The opening words of section 81(3) make it clear that cases which fall under this provision shall not be governed by section 81(1) and section 81(1A). A reading of this provision makes it clear that it carves out yet another category/exception for a preferential allotment to which section 81(1) and section 81(1A) shall not apply. Section 81(3) would apply where a company has raised loans or issued debentures and those loans/debentures have a stipulation attached thereto that the lender will be entitled to exercise an option to convert those loans/debentures into shares or subscribe to the shares of the company. The proviso then imposes further restrictions requiring the terms of the loan to be approved by the Central Government before raising of the loan or such terms have to be in conformity with the rules made by the Central Government in that behalf and if the loan has been obtained from a person other than the government or a specified institution a special resolution approving the same has to be passed by the company in a general meeting before the loan is raised.

Now coming to the case in hand, it is common ground between the parties that the unsecured loans of SEPL, the promoter of the appellant do not meet the requirements of section 81(3) of the Companies Act. This being so, the said provision is not applicable. It is also not the case of either party that a preferential allotment of shares has been made to a select group of persons under section 81(1A). It is the case of the appellant and we agree with Mr. Modi that the present case falls squarely under section 81(1) of the Companies Act. Shares have been offered by the appellant to all the existing shareholders in the same proportion in which they held shares on the date of the offer. In other words, the normal rule referred to above has been followed which will not result in changing the balance of voting rights and control in the company. It is not in dispute that SEPL held 71.19 per cent shares of the appellant on the date of the offer and its entitlement under the rights issue works out to 4,19,25,000 shares for which it had to make the payment. It is also common case of the parties that unsecured loans to the tune of Rs. 4160.89 lakhs advanced by SEPL were lying in the books of account of the appellant as on the date of offer. The unsecured loans were payable on demand and SEPL could have demanded from the appellant the immediate return of those loans and then paid the money back to it towards the price of the shares allotted to SEPL in the rights issue. It did not go through this ritual and instead, requested the appellant to adjust the amount of unsecured loans towards the price of the shares allotted to it. In other words, SEPL requested and made payment to the appellant by adjustment in the books of account. Payment by adjustment in the books of account is a well recognized mode by all accounting standards and we find no fault with this mode being adopted. All that SEPL has done is that it received shares in the rights issue and made payment by adjustment of the unsecured loans which were payable on demand. In the strict sense of the term, it is not a conversion of a loan into equity. The learned counsel for the Board pointed out that by making payment in this manner, the promoter has converted its loans into equity which is not permissible and that the debt equity ratio of the company has undergone a change. So what if the debt equity ratio has altered. This is precisely what the appellant wanted. The debt equity ratio has improved and this may enable it to get further loans from financial institutions but this does not mean that the promoter loses its right to make payment for the shares by way of adjustment of its unsecured loans. The methodology adopted was only a mode of payment for the shares received in the rights issue and since all the necessary disclosures have been made by the appellant in the offer document(s), we are satisfied that in the circumstances of this case section 81(1) of the Companies Act alone is applicable. In this view of the matter we cannot uphold the direction issued by the Board requiring the appellant not to adjust the unsecured loans advanced by the promoter towards the price of the shares allotted in the rights issue.

In the result, the appeal is allowed and the impugned communication dated February 8, 2011 in so far as it directs the appellant not to adjust the unsecured loans of the promoters against allotment of shares in the rights issue set aside.

R.G. SALES PVT. LTD & ANR v. GIRDHARILAL PARASRAMPURIA & ANR [Cal]

APO No. 149 of 2011 with CP No. 448 of 2010

Kalyan Jyoti Sengupta & Syamal Kanti Chakrabarti, J. [Decided on 15/06/2011]

Companies Act - Section 560(6) - Company was struck off the register by ROC - An eviction suit was pending against the company - Trial court trying the suit set aside by the order of the ROC - Landlord appealed contending that with the striking off the company the suit abated - whether tenable - Held, No.

Brief facts: The appellant before the court is the landlord, who is contesting a suit filed by the company in order to protect its possession as a tenant of the property in question. This appeal is against the judgment and/or order dated 1st December, 2010 passed by a learned Single Judge in a proceeding where the appellant before us was not a party. By the impugned order the learned Trial Judge has set aside the order of the Registrar of Companies striking off the name of the company from their register under Section 560(6) of the Companies Act, 1956.

Decision: Appeal dismissed.

Reason: It is contended that the order of the learned Trial Judge has seriously affected as this order helps the company to get back its life and as a result, the benefit derived due to de-registration from the register of the companies is being taken away.

Learned advocate for the appellant, contends that the effect of de-registration is dissolution of the company by virtue of Section 560(6). We agree, as far as legal position is concerned, with him. However, we are unable to accept the contention that because of the dissolution of the company the suit filed by the company will abate and the suit will automatically stand perished. According to us, after dissolution by operation of the law under the provisions of Section 560(5), the follow up action has to be taken by the Official Liquidator. The Official Liquidator will take possession and automatically all the right, title and interest will be devolved upon the Official Liquidator. The Official Liquidator shall be entitled to proceed with the suit with the leave of the Company Court under Section 446.

In these circumstances, we do not find that the company stands to suffer anything else if the suit is proceeded with either by the company or by the Official Liquidator. Accordingly, we do not find any merit in this appeal and the same is dismissed without any order as to costs.

PRICE WATERHOUSE v. SEBI [SAT]

Appeal No. 8 of 2011

N.K. Sodhi (PO), P. K. Malhotra & S.S.N. Moorthy (M). [Decided on 01/06/2011]

Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 - Satyam fraud - show cause notice issued to auditors - they demanded the documents and statements on which the SCN was based and also wanted to cross examine certain persons - Board rejected their request - whether correct - Held, No.

Brief facts: Price Waterhouse, was the auditor of Satyam from April 1, 2000 to September, 2008. S. Gopalakrishnan, a partner of the firm had certified the audit reports for the period from April, 2000 to March, 2007 and Srinivas Talluri, another partner of the firm had certified the audit report(s) for the period from April, 2007 to September, 2008. Since the inaccurate financial results of Satyam were being published quarter after quarter, this, according to the Board, distorted the decision of millions of investors and induced them to trade in the securities of Satyam. It is, therefore, alleged that the appellant had not properly audited the financial statements of Satyam and there was no reasonable basis for the opinion expressed by it in its report in view of the serious irregularities. The financial statements presented, did not present fairly and accurately the financial position of Satyam which was manipulated and false. It is further alleged that the appellant did not maintain control over the process of sending and receiving confirmations, ignored the differences between the two sets of confirmations and the discrepancies in the indirect confirmation, did not make any examination or enquiry in this regard in violation of stipulated norms and practices which indicates its complicity or acquiescence in misreporting and manipulating the books of accounts of Satyam. It is further alleged that the appellant is liable to be treated as having participated in the fraud perpetrated by Ramalinga Raju, Chairman of Satyam and others or as having aided and abetted the same. Accordingly, the appellants were asked to show cause as to why appropriate action should not be taken against them under Section 11 and 11B of the Act and Regulation 11 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (for short the FUTP Regulations). The appellants replied to the show cause notices and also requested to provide the statements of certain persons recorded by the Board during investigations and also requesting for cross-examination of certain witnesses whose statements have been relied upon. The Board refused this request. Hence, the appeal.

Decision: Appeal allowed.

Reason: The short question that arises in these two connected Appeals no. 8 and 9 of 2011 arising out of the same order is whether the appellants are entitled to the copies of the statements / documents referred to / relied upon in the show cause notice issued by the Securities and Exchange Board of India (hereinafter referred to as "the Board") to the appellants and whether they are also entitled to cross-examine the persons whose statements are either relied upon or referred to in the show cause notice. Before we deal with this issue, it is necessary to refer to the background in which these appeals have been filed.

We have gone through the judgments cited by both the parties and will be dealing with them as and when it becomes necessary while dealing with their arguments. At the outset, let us make it clear that we do not normally interfere at the stage of enquiry for two reasons, namely; (i) it delays the enquiry process and (ii) any observations made by us for or against either party may prejudice the proceedings. But in the instant case, it has become necessary to intervene because the violation of principles of natural justice is writ large on the face of the impugned order. We may also make it clear that we are not intending to make any observations on the merits of the enquiry proceedings in this appeal which will be looked into by the whole time member at the time of inquiry. Therefore, our observations in this order are confined only to the legality of the procedure adopted by the whole time member while holding the inquiry.

After hearing learned counsel on both sides and having perused the record, we are of the considered view that there has been violation of principles of natural justice in not allowing cross-examination of the witnesses whose statements are being relied upon in the show cause notice and also in not

making available copies of the statements which have been relied upon by the Board in issuing the show cause notice.

A perusal of the aforesaid provisions of section 11 and 11B shows that the Board is enjoined with the duty of protecting the interest of investors in the securities market and to promote the development of and regulate the securities market by such measures as it thinks fit. Sub-section (2) of Section 11 provides that Board may undertake various measures as provided under clause (a) to (m). Sub-section (3) of Section 11 provides the enabling power of the Board like that of a civil court under the Code of Civil Procedure for trial of the suit in respect to discovery or production of books of account etc. summoning and enforcing the attendance of person and examining them on oath and inspection of any books or register or other documents etc. Section 11B of the Act provides that when the Board is satisfied that it is necessary in the interest of investors or orderly development of securities market or to prevent the affairs of any intermediary or other persons or to secure the proper management of any such intermediary or person, the Board may issue such directions to any person or class of persons or to any company in respect of the matters specified in Section 11A of the Act.

The foundation of the show cause notice in the case under consideration is the statements of witnesses which have been referred to and relied upon in the show cause notice and in case the appellants are not allowed copies of the statement and cross-examination of the witnesses relied upon in the show cause notice, it will lead to gross violation of the principles of natural justice. It is an elementary principle of law that a person who is required to answer the charge must know not only the accusation but also the testimony by which the accusation is supported. He must be given a fair chance to hear the evidence in support of the charge and to put such relevant questions by way of cross-examination as he desires. He must also be given a chance to rebut the evidence led against him. For the reasons stated above, we answer the question formulated in the opening part of the order in the affirmative.

We have given our thoughtful consideration to the prayer made by the appellants. After hearing both the parties and perusing the record, it is not appropriate nor it is the requirement of principles of natural justice that appellant should be allowed inspection of all the material that might have been collected during the course of investigation but has not been relied upon in the show cause notice. In the result, the appeals are allowed and the impugned order set aside. The question formulated in paragraph one is answered in the affirmative.

LABOUR LAWS

M/S SEWA INTERNATIONAL FASHION & ANR v. MEHAR CHAND & ANR [Del]

W.P. (C) 4072/2011 & CM No.8432/2011 (For Stay) & W.P. (C) 4073/2011 & CM No.8433/2011 (for stay)

Rajiv Sahai Endlaw, J. [Decided on 03/06/2011]

Industrial Dispute Act - Sections 2(s), 25(N)-Illegal termination- Employer fails to lead evidence that the complainants are not workmen –Award favouring the workmen passed by the industrial adjudicator- Whether correct- Held, yes.

Brief facts: The petitioner employer by these writ petitions impugns separate but identical awards of the Industrial Adjudicator on the claims of the respondent workmen. The Industrial Adjudicator has granted the relief of lump sum compensation of Rs. 1 lakh only to the respondent workman in W.P. (C) No.4072/2011 and of Rs. 75,000/- only to the respondent workman in W.P. (C) No.4073/2011.

It was the case of the respondent workmen before the Industrial Adjudicator of the petitioner employer having works at Mayapuri as well as Kirti Nagar and their services being taken at both the works and having been terminated illegally w.e.f. 1st July, 1999. The petitioner employer contested the claim contending that the respondents were not workmen within the meaning of Section 2(s) of the I.D Act and by further contending that the respondents were employed at its works at Mayapuri only and never worked at Kirti Nagar and the undertaking at Mayapuri in which respondents were employed stood closed w.e.f. January, 1999.

The petitioner employer though cross-examined the workmen, did not lead any evidence whatsoever of its own before the Industrial Adjudicator. The Industrial Adjudicator in the awards impugned in these writ petitions has held the respondent in each case to be workman within the meaning of Section 2(s) of the Act and has also returned a finding of fact that the services of the respondent workmen were being taken at both the works at Mayapuri as well as Kirti Nagar. As aforesaid, no evidence was led by the petitioner employer qua closure. However, the Industrial Adjudicator on the basis of the admission by the workmen in cross-examination that the works were lying closed, returned the finding of closure in favour of the petitioner employer. These awards are challenged by the employer.

Decision: Petition dismissed.

Reason: The awards are challenged primarily on the findings returned by the Industrial Adjudicator as to the legality and justification of termination. While returning the said findings, the Industrial Adjudicator has referred to Section 25N of the Act. It is the contention of the petitioner employer that the Industrial Adjudicator has wrongly presumed Section 25N to be applicable when there was nothing before him to hold so.

In this regard I may notice that it was the case of the respondent workmen that the petitioner employer was employing more than 2000 persons. The respondent workmen also deposed so in their affidavit by way of examination-in-chief. The petitioner employer admits that there is no cross-examination on the aforesaid deposition of the respondent workmen. Again, as aforesaid, the petitioner employer did not lead any evidence whatsoever denying employment of more than 2000 persons.

Be that as it may, even if it were to be held that the Industrial Adjudicator erroneously referred to Section 25N, the same would still not invalidate the award inasmuch as in view of the other findings, the termination by the petitioner employment of the respondent workmen has been made out to be illegal and the relief granted to the respondent workmen of payment of lump-sum compensation only as aforesaid cannot be said to be perverse or unreasonable.

It may be noticed that even though the respondent workmen had in cross-examination stated that they had stopped reporting for work as works at Mayapuri had closed down but it was for the petitioner employer to plead the case of abandonment but which in fact was not pleaded. Even otherwise, abandonment is misconduct actionable only by holding an inquiry and taking appropriate

action and not otherwise. Nothing of the nature was done. Reference may be made to *Anil Chuttani v. ONGC* 2010 (117) DRJ 433. Thus it cannot be held that owing to such statement of respondent workmen in cross-examination, the petitioner employer stood absolved of its liability.

There is another aspect of the matter. It was neither the plea of the petitioner employer nor proved that the provisions of Section 25FFF which the counsel for the petitioner employer also admits would have been attracted in the case of closure were complied with. The counsel for the petitioner employer at this stage states that even the works at Kirti Nagar were subsequently closed and the petitioner employer is willing to pay the closure compensation to the respondent workmen. However the same supports the finding of the Industrial Adjudicator of the termination being illegal and the offer now made is belated and cannot be the ground for judicial review of the awards.

GENERAL LAWS

GREAVES COTTON LIMITED v. MOHAMMAD RAFI & ORS. [Del]

CS (OS) No. 395/2008

V.K. Jain, J. [Decided on 03/06/2011]

Trade Marks Act, 1999 - Sections 28, 29(1)-Infringement of trademark "GREAVES" by defendant by using the trademark "GREAVES INDIA"-whether plaintiff entitled to permanent injunction-Held, yes.

Brief facts: This is a suit for permanent & mandatory injunction, damages, rendition of accounts and delivering up of infringing material. The plaintiff company is engaged in the manufacture of a wide range of industrial products including diesel engines, generating sets, agro equipments, construction equipments and road construction equipments. It is claimed that the word/mark GREAVES is an essential and prominent feature of plaintiff's trade name, corporate name and business style and the trademark GREAVES is the surname of the founder of the plaintiff's predecessor GREAVES COTTON AND COMPANY LIMITED. It is alleged that defendant No.1 who is the proprietor of defendant No.2, made an application for registration of the trademark GREAVES INDIA claiming use of aforesaid mark since 1.12.2004 in respect of self priming pump, monobloc pump, jet pump, shallow well pump, coupled pump, high head coupled pump, diesel pump, which are exactly of the same type as the pumps of the plaintiff company. The plaintiff company sent a legal notice dated 26.12.2007 to the defendant No.1 calling upon it to cease and desist from using the aforesaid mark. In his reply, the defendant claimed to have acquired popularity and publicity through use since 1.12.2004.

It is alleged that defendant No.1 is engaged in a business which is similar to the business of the plaintiff company and is dealing in products as that of the plaintiff company, the use of the aforesaid mark by the defendant No.1 would result in causing deception in the market and is likely to lead the purchaser to believe that the products being sold under the marks GREAVES INDIA are manufactured, sold and marketed by the plaintiff company or that the use of the aforesaid mark has been licensed/authorized by the plaintiff company. The defendant No.1 has contested this suit.

Decision: Suit decreed.

Reason: It is not necessary that in order to constitute infringement, the impugned trademark should be an absolute replica of the registered trademark of the plaintiff. When the mark of the defendant is not identical to the mark of the plaintiff, it would be necessary for the plaintiff to establish that the mark being used by the defendant resembles his mark to such an extent that it is likely to deceive or cause confusion and that the user of the impugned trademark is in relation to the goods in respect of which the plaintiff has obtained registration in his favour. It will be sufficient if the plaintiff is able to show that the trademark adopted by the defendant resembles its trademark in a substantial degree, on account of extensive use of the main features found in his trademark. In fact, any intelligent person, seeking to encash upon the goodwill and reputation of a well-established trademark, would make some minor changes here and there so as to claim in the event of a suit or other proceeding, being initiated against him that the trademark being used by him, does not constitute infringement of the trademark, ownership of which vests in some other person. But, such rather minor variations or distinguishing features would not deprive the plaintiff of injunction in case resemblance in the two trademarks is found to be substantial, to the extent that the impugned trademark is found to be similar to the registered trademark of the plaintiff. But, such malpractices are not acceptable and such a use cannot be permitted since this is actuated by a dishonest intention to take pecuniary advantage of the goodwill and brand image which the registered mark enjoys, it is also likely to create at least initial confusion in the mind of a consumer with average intelligence and imperfect recollection. It may also result in giving an unfair advantage to the infringer by creating an initial interest in the customer, who on account of such deceptive use of the registered trademark may end up buying the product of the infringer, though after knowing, either on account of difference in packaging etc. or on account of use of prefixes or suffixes that the product which he is buying is not the product of the plaintiff, but is the product of the defendant.

As noted earlier, the defendant No.1 himself has admitted in his cross examination that he was manufacturing monoblock pumps, jet pumps, shallow well pumps, coupling pumps, high head pumps, and diesel pumps under the trade name GREAVES INDIA . It has also come in deposition of PW-1, that the defendants are manufacturing self priming pump, monobloc pump, jet pump, shallow well pump, coupled pump, high head coupled pump, diesel pump etc. and in his application for registration also the defendant No.1 has claimed use of the mark "GREAVES INDIA" in respect of the above referred products which according to PW-1 are exactly of the same type as are the pumps of the plaintiff company. It thus, stands proved that the mark "GREAVES INDIA" is being used by the defendant No.1 in respect of the same products for which the mark Greaves is being used by the plaintiff company. The defendant before this Court has thus, been manufacturing and selling the same product under the trade name "GREAVES INDIA", which the plaintiff company has been manufacturing and selling under its registered trade mark "GREAVES". By using the word "GREAVES INDIA" the defendant No.1 lifted and adopted the whole of the registered trademark of the plaintiff company, thereby causing infringement of that trade mark. Mere use of the word "INDIA" would make no difference since the word "GREAVES" is not only an essential but also the main component of the trademark "GREAVES INDIA" being used by the defendant No.1. Use of the word "INDIA" as a suffix and not as a prefix is also a strong indicator that the defendant No.1 wanted to encash upon the popularity, goodwill and reputation of the word "GREAVES" engines not only in India but in many other countries. In fact had the defendant No.1 used the word "INDIA" as prefix even that, in my view would have constituted infringement, in facts and circumstances of this case. It would be pertinent to note here that the defendant No.1 has not given any reason or explanation for use of the word "GREAVES" which is the most essential component of his trademark. During cross examination, he could not even give any meaning to the word "GREAVES". This clearly shows that the adoption of the word "GREAVES" by the defendant was dishonest, actuated with the intention to encash upon the tremendous reputation which the registered

trademark of the plaintiff enjoys in the market. It would also be appropriate to note here that "GREAVES" is not a dictionary word and is alleged to be the surname of the founder of the plaintiff company. Neither deletion of a part of a registered trademark nor the prefix or suffix of another word to it would validate the use of the registered mark by an unlicensed user, once it is shown that the part used by the infringer is an essential part of the registered trademark.

It also in interest of the consumer that a well established brand such as "GREAVES" is not to be allowed to be used by another person. A person purchasing pumping sets being sold by the plaintiff company under the name "GREAVES", when he comes across the product of the defendant No.1 being sold under the trade name "GREAVES INDIA", on account of imperfect recollection and his not having the product of the plaintiff with him at that time, may form an impression that both the products emanate from the same source and that is why both of them are using the word "GREAVES" for selling similar products. This may cause confusion in the minds of the consumers.

Also, if the quality of the product of the defendant No.1 is not found to be as good as the quality of the product of the plaintiff, the consumer may feel cheated; he having paid the price which the product of the plaintiff commands in the market and he may also form an opinion that the quality of the product of the plaintiff had gone down and that is why the product purchased by him was found to be of inferior quality. For the reasons given in the preceding paragraphs, the plaintiff is entitled to injunction against use of the trademark "GREAVES" by the defendant No.1. The plaintiff is also entitled to mandatory injunction directing the defendant No.1 to withdraw his application submitted to trade mark registry for registration of the mark "GREAVES INDIA". The issues are decided against the defendant No.1 and in favour of the plaintiff.

In view of my finding on other issues, the plaintiff is entitled to injunction and damages as stated above in this judgment. A decree for perpetual injunction is hereby passed restraining the defendant No.1 from manufacturing selling, offering for sale advertising or promoting any self priming pump, monobloc pump, jet pump, shallow well pump, coupled pump, high head coupled pump, diesel pump under the trade mark "GREAVES INDIA" or any other mark which is identical or deceptively similar to the registered trademark "GREAVES" of the plaintiff. A decree for mandatory injunction is also passed directing the defendant No.1 to withdraw its application No. 1387589, submitted by it to trademark registry for the registration of the trademark "GREAVES INDIA", within six weeks. A decree for damages amounting to Rs.1 lakh is also passed in favour of the plaintiff and against defendant No.1. The defendant No. 2 is not a legal entity and is only a trade name adopted by defendant No.1. Hence, the suit against defendant No.2 is dismissed. If the amount or damages is not paid within six weeks, the plaintiff will also be entitled to *pendente lite* and future interest @ 6% p.a. on the amount of damages.

HUMANITY & ANR v. STATE OF WEST BENGAL & ORS [SC]

Civil Appeal No.4782 Of 2011 (Arising out of Special Leave Petition (C) No.22305/2010) With Civil Appeal No.4783 Of 2011 (Arising out of Special Leave Petition (C) No.22503/2010) With Civil Appeal No.4784 Of 2011 (Arising out of Special Leave Petition (C) No.11783/2011)

G.S. Singhvi & Asok Kumar Ganguly, JJ. [Decided on 26/05/2011]

Constitution of India-Allotment of land by government to Sourav Ganguly – Norms not followed- High Court upheld the allotment- Whether allotment is valid-Held, No.

Brief facts: Several writ petitions were filed in public interest before the Calcutta High Court challenging the allotment of land given in favour of Mr. Sourav Ganguly (hereinafter referred to as allottee), by the State of West Bengal. The High Court, by its judgment dated 12.4.2010, upheld the allotment of plot of land being plot no. CA-222 by allotment letter dated 17.2.2009. It disposed of all the petitions by a direction that in order to retain leasehold rights and possession of the said plot in Sector-V, Salt Lake City (Bidhannagar), Kolkata, the allottee has to pay the State Government a sum of Rs.43,25,500, failing which the lease deed dated 1.4.2009 shall be treated as invalid and possession of the land shall be handed back to the State Government.

The material facts of the case are that an advertisement was issued by the Government of West Bengal, Urban Development Department, earmarking a plot of land measuring about 50 kathas in Plot No. BF-158 in Sector-I, Salt Lake (Bidhannagar), Kolkata- 700064, for the setting up of an integrated school from primary level to higher secondary level. It was stated in the advertisement that the school would basically be academic in nature, but with extra-curricular activities, which would form an integral part of the curriculum and it was stated that the intending Organization/ Institution/ Body/ Registered Society/ Trust which were capable of running and managing such a school by their own resources, may apply on plain paper within 15 days from the publication of the advertisement giving details of the project. It was intimated that the aforesaid plot of land would be leased to the aforesaid applicants for 999 years on certain terms indicated in the advertisement.

The allottee applied on 17.11.2006. In the project report submitted by the allottee, it was stated that the school would be owned by a Registered Society/Trust.

The allottee was issued with an allotment order dated 22.02.2007 in respect of plot no. BF-158 and possession of the said plot was given on 14.2.2008. Thereafter, on 19.1.2009, a letter was written to the Minister for Urban Development and Municipal Affairs by the allottee by stating that after going through the norms of 'ICSE' he felt that allotment of a bigger plot was needed for getting affiliation and a prayer was made for allotment of another bigger plot. Within a month thereafter, the allottee was informed about allotment of another plot- No. CA-222 in Sector-I measuring 62 kathas (it is actually 63.04 kathas). This allotment of a different plot, which is of much bigger size, in a different area, was challenged before the High Court and before this Court on various grounds, including the following:

- There was no advertisement for allotment of the subsequent plot being plot No. CA-222, which is much bigger than the initial plot and allotment of this different and bigger plot, without any advertisement by the Government, only on the prayer of the allottee is arbitrary, discriminatory and violative of Article 14 of the Constitution.
- The claim of the allottee for complying with the ICSE norm is just a specious plea, in fact the Trust which the allottee has set up for the school does not at all comply with the ICSE norms.

Decision: Appeal allowed.

Reason: Admittedly, no advertisement was issued and no offer was sought to be obtained from the members of the public in respect of the new allotment of a much bigger plot. In view of the principles laid down by this court, the impugned allotment is clearly in breach of the principles of Article 14 explained by this court in Ramana (supra), Kasturi Lal (supra) and other subsequent cases.

This court cannot persuade itself to hold that this allotment is in exercise of the right of the Government in the first advertisement dated 5.11.2006, where the Government reserved its right to

change the location of the land. The second allotment is not only about a change in the location of the land, but the subsequent allotment is also of a much larger plot of land, brought about in terms of the request of the allottee for a bigger plot. The subsequent change was not brought about by the Government in its own discretion, assuming but not admitting that the Government could exercise its discretion in such a fashion but was in response to a written request of the allottee.

The Government was so anxious to oblige the allottee by giving bigger plot that too with no loss of time, the said allotment was made by the Government admittedly without verifying whether the allottee had surrendered the previous plot allotted to him. From the facts which have been disclosed here, it is clear that such surrender took place much later on 17.12.2009, when the allottee sent a forwarding letter and the registered deed of surrender in respect of the previous plot no. BF-158.

It is, therefore, clear that the Government made allotment of the new plot to the allottee on terms which were even more generous than the ones suggested by the allottee in his letter dated 19.1.2009. Such action of the Government definitely smacks of arbitrariness and falls foul of Article 14.

On the fourth ground of challenge, we find that according to clause 2 of the ICSE norms, the school should be run by a Registered Society/Trust or a Company (under section 25(1)(a) of the Companies Act, 1986) for educational purposes. It must not be run for profit. The constitution of the Society/Trust/Company running the school should be such that it does not vest control in a single individual or members of the same family.

But in the instant case, a Society which has been registered for running the proposed school under the name of 'Ganguly Education and Welfare Society' consists 7 members of which the first 5 are all in the family and stay in the same address at 2-6, Biren Roy Road (E), Barisha, Kolkata. Mr. Arup Chatterjee is also a relation of the family staying in Brahma Samaj Road and only Mr. Deepak Kumar Mitra, the Chartered Accountant, is outside the family. Therefore, constitution of such a Trust to run the school is clearly against the ICSE norms.

It is thus clear that the allottee is selectively seeking compliance of the ICSE norms only in asking for a bigger plot. In so far as other norms are concerned, they are clearly flouted as seen in the constitution of the Trust set up to run the school. Hence, the argument on behalf of the appellant that the plea of the allottee to ask for a bigger plot in the name of complying with ICSE norms is not a bona fide plea is of some substance. The learned counsel for the allottee has not been able to meet the said argument as to how the ICSE norms are complied with if the school is to be run by such a Trust, which consists of members of the family and this court finds that there is a lot of substance in this argument of the appellants. This point was also urged before the High Court but unfortunately the High Court brushed aside this objection.

In the instant case, the impugned allotment of a different and bigger plot by the government in favour of the allottee without any advertisement, when initially advertisement was resorted to, and then it was given up and everything was rushed through in hot haste, is unreasonable and arbitrary, and the High Court was wrong in upholding the same.

Before I conclude, I make it clear that I am aware that the allottee is a cricketer of great repute and has led this country to victory in many tournaments, both in India and abroad. I have watched him on the television on many occasions and was delighted to see his glorious cover drives and effortlessly lofted shots over the fence. But as a Judge, I have different duties to discharge. Here I must be objective and eschew my likes and dislikes and render justice to a cause which has come before the

Court. For the reasons aforesaid, the order of allotment of plot no. CA-222 made in favour of Mr. Sourav Ganguly, the allottee, is quashed. In consequence thereof, the lease deed pursuant to such allotment stands quashed.

CONSUMER PROTECTION

STOCK HOLDING CORPORATION OF INDIA LTD. v. VIMAL RAOSAHEB CHOUGULE & ORS [MAHARASHTRA STATE COMMISSION]

First Appeal No. A/07/1622 (Arisen out of Order Dated 20/10/2007 in Case No. 277/06 of District Sangli) and First Appeal No. A/07/1623 (Arisen out of Order Dated 23/10/2007 in Case No. 278/06 of District Sangli) and First Appeal No. A/07/1624 (Arisen out of Order Dated 23/10/2007 in Case No. 279/06 of District Sangli) and First Appeal No. A/07/1625 (Arisen out of Order Dated 23/10/2007 in Case No. 280/06 of District Sangli) and First Appeal No. A/07/1626 (Arisen out of Order Dated 23/10/2007 in Case No. 282/06 of District Sangli)

S.R. Khanzode Presiding Member & S.P.Lale Member [Decided on 06/06/2011]

Consumer Protection Act, 1986- Dematted shares- Fraudulent transfer of shares-Whether depository participant is liable-Held, No.

Brief facts: Respondent no.1-Vimal Raosaheb Chougule in Appeal no.1622/07, 1624/07 to 1626/07 corresponding to consumer complaint nos.277/06, 279/06, 280/06 and 282/06; and her husband Dr.Raosaheb Siddappa Chougule, respondent in Appeal no.1623/07 corresponding to complaint no.278/06 had opened Demat account with appellant from all these opponents (opponent no.1 in all the consumer complaint as per agreement dated 22/01/2002 and transacted in shares through their sub brokers, respondent no.2 in all these appeals namely Hemant Natwarlal Shah and respondent no.3 Mr. Natwarlal Manilal Shah original opponent nos.2 & 3 in all the complaints). When on 16/06/2005 officials, namely, Mr.Nair and Mr.Kulkarni of the appellant made enquiries from Dr.Raosaheb and Mrs.Vimal about the transactions transferring the shares, these complainants flatly denied having entered into transactions of transfer of shares, which were carried out through sub brokers named above, particularly, sub broker Hemant. It is alleged by these complainants that the transactions were carried out by their sub brokers fraudulently misusing a sheet of paper on which their signatures were obtained by the sub brokers. It is also alleged that the appellants were negligent and, thus, exhibited deficiency in service on its part by allowing such transfers.

Sub brokers, namely, respondent nos.2&3/original opponent nos.2 & 3 remained absent before the Consumer forum. However, appellant/original opponent no.1 in all these complaints appeared and took objections relating to pecuniary and territorial jurisdiction, also raised objection referring to the arbitration clause in the agreement and categorically denied that there is/was any deficiency in service on its part. It is also submitted that the transactions were entered into on the basis of the Authorization Slip cum letter issued by the complainants and after verifying their signatures on such instructions. They were also entered bonafidely since the complainants carried out all these transactions through their sub brokers, who only used to give instructions on behalf of the complainants to carry out transfer of shares.

Forum disposed of all these consumer complaints by its orders dated 23/10/2007 (separate order in each consumer complaint) and upholding the contention of the complainants, directed the appellant

to transfer the respective shares again in the name of respective complainants and, further, directed to pay compensation for the mental torture and cost. Feeling aggrieved by these orders the appellant /original opponent no.1 preferred these appeals.

Decision: Appeals are allowed.

Reason: We heard both the parties. Appellant/original opponent no.1 is a company which provides Depository facilities to investors within the meaning of the Depositories Act, 1996 and for that purpose is registered as a Depository Participant (in short "DP") of National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). During the course of its business as a Depository Participant, it facilitates dematerialization of securities by the issuer companies. Dematerialization is process by which a person who is holding security certificates in physical form can get his physical security certificates converted into electronic balances and hold the same in his/its account with a D.P. This particular nature of services offered by the appellant company is not in dispute. Complainants Vimal and Raosaheb do not claim anything beyond hiring of such services from the appellant. Thus, it could be seen that the nature of services hired from the appellant and for which deficiency in service is alleged, relates to a commercial transaction i.e. trading in shares for profit or loss. Therefore, the services of the appellant being hired for commercial purpose, the complainants Vimal as well as Dr.Raosaheb are not consumers within the meaning of Consumer Protection Act, 1986 (herein after referred as "Act" for brevity) and, thus, the present dispute cannot be termed as consumer dispute. A useful reference can be made to In-re Economic Transport Organisation, supra.

As far as submission referring to ousting of jurisdiction of the Consumer Fora in view of arbitration clause in the agreement dated 22/01/2002 entered in between the parties i.e. appellant and the complainants is concerned, the remedy before the consumer forum being the additional one, it does not oust the jurisdiction of Consumer Fora. Issue is already settled on the point of law. Therefore, we find no substance in the grievance made on behalf of the appellant on this count.

It may be pointed out that it is the appellants officials, supra, who made enquiry on 16/07/2005 with the complainants and, thereupon, alleged fraud committed by the sub brokers was surfaced. It may be further pointed out and the fact which is not in dispute is that though the complainants received monthly statement from the appellant covering the transaction of transfer of shares from time to time, they all the while maintained silence and did not complain about the fraudulent transfer of shares. It is also ignored by the forum that it is the case of complainants that their genuine signatures taken on the blank papers by the sub brokers were misused. Therefore it is not the case of any false signature or tampered signature. We also find direction given about re-transfer of shares as per impugned orders does not fall within the ambit of section 14 of the Act and, therefore, they cannot be supported in the eyes of law.

General Instruction

In case of any specific problem / complaint regarding:

1. Registration, post registration, students services and postal / oral coaching, students may contact personally or write to

Mr Sohan Lal
Director (Student Services)
The Institute of Company Secretaries of India
C-37, Sector-62,
Noida-201309,
Tel : 0120-4522056
e-mail : sohan.lal@icsi.edu.

2. Academic guidance and suggestions, if any, students may write to

Mr Sutanu Sinha
Director (Academics)
The Institute of Company Secretaries of India
22, Institutional Area
Lodi Road
New Delhi-110003
Tel : 011-45341014 (D)
e-mail : sutanu.sinha@icsi.edu.