

CHARTERED SECRETARY

THE JOURNAL FOR CORPORATE PROFESSIONALS

Professional
Independence

971 
2nd ICSI Corporate
Governance Week
(27-31 August, 2012)

1012 
Companies
(Central Government's)
General Rules and Forms
(Fourth Amendment) Rules, 2012

1058 
40th National Convention of
Company Secretaries



THE INSTITUTE OF
Company Secretaries of India

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

Website : www.icsi.edu

COMPANY SECRETARIES BENEVOLENT FUND

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Company Secretaries Benevolent Fund

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- The member has to enter his password in the box provided (The member has to Click on Reset password if creating for the first time and follow the instructions)
- After Logging in the member has to click on the link 'Request for CSBF Membership'.
- The member has to click on Download link to download the Form 'A' i.e. Form for admission as a Member of CSBF.
- The member has to fill up the form complete in all respects.
- The member has to scan the duly filled in form and upload the same.
- After uploading the scanned form the member has to click on 'Proceed for Payment' button for payment through net banking.
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- 01 >> Signing of Memoranda of Understanding between ICSI - IICA and ICAI (Cost Accountants) - IICA ~ Standing from Left: Alka Kapoor, N K Jain, Nesar Ahmad, Rakesh Singh (President, Institute of Cost Accountants of India), Dr. M Veerappa Moily (Hon'ble Union Minister of Corporate Affairs) and Dr. Bhaskar Chatterjee (DG, IICA).
- 02 >> Meeting of ICSI delegation with Hon'ble Union Minister of Corporate Affairs to update Hon'ble Minister about goals of The ICSI - Standing from Left: Dr. M Veerappa Moily, N K Jain, Alka Kapoor and Nesar Ahmad.
- 03 >> Meeting of ICSI delegation with Hon'ble Chief Minister of Delhi about ICSI Corporate Governance Week - Sitting from Left: Sheila Dikshit (Hon'ble Chief Minister of Delhi), Nesar Ahmad, N K Jain, Rajiv Bajaj and Alka Kapoor.
- 04 >> Meeting of ICSI delegation with Hon'ble Minister of State for Environment and Forests to apprise Hon'ble Minister about the activities of the Institute - Standing from Left: N K Jain, Nesar Ahmad, Jayanti Natarajan (Hon'ble Minister of State for Environment and Forests) and Alka Kapoor.
- 05 >> Meeting of CSIA delegation with Ambassador, Permanent Mission of India (PMI) at Geneva - Group Photo - Standing from Left: Vijay Kumar (Counsellor, WTO), Edith Shih (President, HKICS), Nesar Ahmad (President, CSIA and The ICSI), Jayant Dasgupta (Ambassador and Permanent Representative of India to the WTO), Anil Murarka (Past President, CSIA and The ICSI), April Chan (Past President, CSIA and HKICS) and Russell Morrice (Head of Secretariat, ICSA(UK)).
- 06 >> Meeting of CSIA delegation with Deputy Director General, WTO - Group Photo - Standing from Left: Edith Shih, Nesar Ahmad, Harsha V Singh (Deputy Director General, WTO), April Chan, Phillip Baldwin (Chief Executive, HKICS), Anil Murarka, Dale Honeck (Counsellor, WTO), Ruosi Zhang (Counsellor, TIS Division, WTO) and Russell Morrice.
- 07 >> Deputy Director General, WTO interacting with Senior Officers of the Institute - Sitting from Left: N K Jain, Harsha V Singh (DDG, WTO) and Nesar Ahmad.
- 08 >> A view of the meeting in progress.
- 09 >> NIRC-ICSI - Inauguration of Cultural Evening on the occasion of 41st Foundation Day Celebrations of NIRC - Chief Guest Justice D R Deshmukh (Chairman, CLB) and Ms. Deshmukh seen with Nesar Ahmad, N.K. Jain, Harish K. Vaid, Rajiv Bajaj, M.G. Jindal, Shyam Agrawal, NPS Chawla, Regional Council Members, Chapters' Chairmen and others.
- 10 >> NIRC-ICSI - Mid Term Review Meeting of Regional Council Members with NIRC Chapters' Chairmen - Sitting from Left: Ranjeet Pandey, Ashu Gupta, Deepak Kukreja, M G Jindal, Nesar Ahmad, Rajiv Bajaj, Shyam Agrawal, NPS Chawla, Manish Gupta, Vineet K. Chaudhary. Chapter representatives, T.R. Mehta & others also seen in the picture.
- 11 >> SIRC-ICSI - 37th Regional Conference on CS - A Proactive Performer - Release of Conference Souvenir - Standing from Left: N K Jain, C Sudhir Babu, N Raghuveera Reddy (Hon'ble Minister for Revenue, Government of Andhra Pradesh), Nesar Ahmad, A V Syamala, Nadendla Manohar (Hon'ble Speaker of Andhra Pradesh Legislative Assembly), Marthi S S, Shujath Bin Ali and Dr. Baiju Ramachandran.
- 12 >> EIRC-ICSI - Full Day Seminar on Enhancing Value in Business - Role of Company Secretaries - Chief Guest R.K. Agarwal (Managing Partner, E & Y) addressing. Others sitting on the dais from Left: Deepak Kr. Khaitan and Ranjeet Kanodia.





05



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08



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At a Glance

Articles (A 309 - 337)

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Governance and Compliance through effective Employee Communication

p- 972

Dr. Joffy George

Governance and compliance are never-ending processes. The main reason for an organization to implement a governance and compliance programme would be to meet the requirements of a regulatory body or to mitigate the risks associated with not having a formal programme in place. A significant problem in implementing such a programme is the ineffective communication of policies and procedures to employees. Corporate fraud is a very real threat to the health of any business. Fostering a culture of honesty and integrity will minimize our exposure to risk, and motivate honest employees to report any of the unethical and dishonest activity they witness or suspect. Reminding an employee about a moral code has been shown to reduce the likelihood of an ethical violation. Employees must be persuaded to understand and work for Company's Vision and execute its basic promise to customers. They are the driving force behind the organization, and their behaviour is crucial to Company's success.

Shareholders' Rights and Illegitimate Use Thereof

p- 977

Harsh Mishra

This Article talks about the irony faced by most of the public limited listed companies, big or small, in the country. The irony is: Companies fall prey to the ulterior motives of some individual shareholders who regularly year-after year keep on pestering the companies in the name of "shareholders' rights" in order to serve their vested interest and extort freebies viz. gifts, gift vouchers or some other personal favours such as employment to their relatives, etc. In case a company does not pay heed, these shareholders would slap notices on companies for removal of MD, Directors, etc. and thus require the companies to circulate the resolution to all shareholders and including the same in AGM notice. Else, the companies may choose to go to CLB seeking stay order. Now that total revamp of the company law is under active consideration of the government it is but appropriate to make suitable provisions so that such unscrupulous shareholders are not left with unbridled power to extract favours from companies.

Why Business Organisations are not suitable for Foreign Contributions?

p- 982

Prabir Bandyopadhyay

The preamble to the Foreign Contribution (Regulation) Act, 2010 states the objective thus: (1) to regulate the

acceptance and utilisation of foreign contribution or foreign hospitality by certain individuals or associations or companies and (2) to prohibit acceptance and utilisation of foreign contribution or foreign hospitality for any activities detrimental to the national interest. According to the Ministry of Home Affairs 'The general policy of the Government of India is not to encourage soliciting of foreign contribution. If, however, it is intended for bona fide welfare activities, foreign contribution can be received either by obtaining registration or prior permission from the Central Government under FCRA'. Is the exclusion of "business organizations" for the purpose of soliciting and accepting foreign contribution, justified, is the question which is probed in this article.

Trade Marks and Company Secretary in Practice

p- 988

N.Sridaran

The Trade Marks Act 1999, provides for registration of Marks and protection of registered Trade Marks and prevents fraudulent use of the mark. Company Secretaries in practice can act as Trade Marks Agent and provide services for registration and renewal of trade marks. This Article sets out the procedures for registration of Trade Mark and Trade Mark related matters.

Protecting your Innovations under Patent Laws

p- 993

Vivek Agarwal

Patent law is the encouragement for the inventors as they may put to use the invention and make some profits which may serve as fruits of their labour. Patent laws tend to encourage and maintain the continuous flow of inventions, by acting as an incentive to invent. By protecting the rights of the inventor, the government can be sure that people will continue to think of unique and new ideas to share with the world. The increase in the number of patent applications being received by patent offices all over the world is an indication of the universal recognition of the value of patent system.

Legal Framework on Electronic Delivery of Services

p- 998

Joby Mathew

In short it is an invaluable move from the government side to make all government services to electronic mode. It would check corruption by reducing discretion on the part of government employees and give an opportunity to citizens from every nook and corner of the Country to get accessed all Governmental Services in time without much effort. However the government should take proper steps to ensure infrastructure for online services is available to all citizens of India.



Legal World (LW 87 - 96)

p- 1002

- ♦ **LW 70.07.2012** Securities Appellate Tribunal allows the sale and repatriation of sale proceeds of unaffected scrips
- ♦ **LW 71.07.2012** Information furnished by an infrastructure company as to the getting of projects to stock exchanges is not price sensitive information.[SAT]
- ♦ **LW 72.08.2012** When the borrower is not complying with the demand notice *in toto*, the secured creditor is entitled to enforce his secured interest.[Cal]
- ♦ **LW 73.08.2012** Section 3(1) of COFEPOSA empowering preventive detention is constitutionally valid even though FEMA does not contain any penal provisions (criminal) for foreign exchange related violations.[SC]
- ♦ **LW 74.08.2012** There is no illegality in the order passed by the learned Magistrate and confirmed by the Sessions Court in awarding sentence in default of payment of compensation.[SC]
- ♦ **LW 75.08.2012** Supreme Court upholds the award of work to bidder as he substantially complied with the tender conditions.
- ♦ **LW 76.08.2012** Supreme Court appoints arbitrator.
- ♦ **LW 77.08.2012** Bombay High Court upholds the reinstatement of the workman but reduces the quantum of back wages by 50%.

From the Government (GN 165 - 184)

p- 1012

- ♦ Companies (Central Government's) General Rules and Forms (Fourth Amendment) Rules, 2012
- ♦ Appointed date for applicability of provisions of certain sections of the Companies (Second Amendment) Act, 2002
- ♦ Delegation of powers to RoCs
- ♦ Delegation of Powers to RDs
- ♦ The Limited Liability Partnership (Winding up and Dissolution) Rules, 2012
- ♦ Amendments in the notification number S.O. 891(E), dated the 31st March, 2009
- ♦ Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012
- ♦ Filing of Cost Audit Report and Compliance Report in the extensible Business Reporting Language (XBRL) mode.
- ♦ Important message of MCA on Payment of Stamp Duty on increase of Authorised Capital.
- ♦ Clarifications on Investor Education and Protection fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012
- ♦ Filing of Balance Sheet and Profit and Loss Account in Extensible Business Reporting Language (XBRL) Mode for financial year commencing on or after 1.4.2011
- ♦ Constitution of a Committee to formulate a Policy Document on Corporate Governance
- ♦ Imposing Fees on Certain E-Forms Filed with ROC, RD or MCA (HQ) Under MCA-21 Where at Present No Fee is Prescribed
- ♦ Serious Fraud Investigation Officers authorized for purposes of filing and conducting prosecution under the Companies Act, 1956
- ♦ Contents of Application Form and Abridged Prospectus for Public Issue of Debt Securities
- ♦ Revision of Eligibility Criteria for Stocks in Derivatives Segment
- ♦ Amendment to definition of Qualified Foreign Investor (QFI)

and QFI investment in debt mutual fund schemes which invest in infrastructure

- ♦ Establishment of Connectivity with both depositories NSDL and CDSL- Companies eligible for shifting from Trade for Trade Settlement (TFTS) to normal Rolling Settlement
- ♦ Investment by Qualified Foreign Investors (QFI) in Indian Corporate Debt
- ♦ Comprehensive guidelines on Offer For Sale (OFS) of Shares by Promoters through the Stock Exchange Mechanism
- ♦ Portfolio Managers - Deployment of clients fund in liquid Mutual Funds
- ♦ Amendment to the Equity Listing Agreement - Platform for E-Voting by Shareholders of Listed Entities
- ♦ Review of Regulatory Compliance and Periodic Reporting
- ♦ Reduction of Time-line for Transfer of Equity Shares and Prescription of Time-line for Transfer of Debt Securities.

Other Highlights

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- ♦ Members Admitted/ Restored
- ♦ Certificate of Practice Issued/Cancelled
- ♦ Licentiate ICSI Admitted
- ♦ News From the Regions
- ♦ Company Secretaries Benevolent Fund
- ♦ Our Members
- ♦ Appointment Advertisements
- ♦ Prize Query
- ♦ Order under Section 119 of the Income Tax Act, 1961.
- ♦ 2nd ICSI Corporate Governance Week.
- ♦ CG and CSR watch.
- ♦ Payment of Annual licentiate Subscription for the Year 2012-13.
- ♦ Payment of Annual Membership and Certificate of Practice Fee for the Year 2012-13.
- ♦ Waiver of 2% Transaction Charges.

STOP PRESS

Order under Section 119 of the Income Tax Act. 1961

[Issued by the Ministry of Finance, Department of Revenue (CBDT) vide F.No.225/163/2012/ITA.II dated 31.07.2012]

On consideration of the reports of disturbance of general life caused due to failure of power and further in consideration of the fact that the e-filing of returns for a specified category of individuals and HUF has been made mandatory, the Central Board of Direct Taxes, in exercise of powers conferred under section 119 of the Income Tax Act, 1961, hereby extends the 'due date' of filing of returns of income for the Assessment Year 2012-13 to 31st August 2012 in respect of assesseees who are liable to file such returns by 31st July 2012 as per provisions of section 139 of Income Tax Act, 1961.

(Ajay Goyal)
Director (ITA.II)

A Governance Initiative

Latest From Corporate Governance

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1. U.S. Securities Exchange Commission - Introduction of Listing Standards for Compensation Committees and Disclosure Regarding Compensation Consultant Conflicts of Interest- June, 2012

The Securities and Exchange Commission, U.S.A. approved a rule that directs national securities exchanges to adopt listing standards for public company boards of directors' compensation and compensation advisers.

Accordingly, Compensation committees of publicly-traded companies in U.S will be subject to additional rules governing their use of advisers and the independence of the members of their committees.

Under the new rules, each national securities exchange and national securities association that lists equity securities, such as Nasdaq and the New York Stock Exchange are required to develop listing standards concerning compensation committees thereby prohibiting the listing of any equity security of any company that do not address to the following requirements:

- the independence of the members on a compensation committee,
- the committee's funding and authority to retain compensation advisers,
- the committee's consideration of the independence of any compensation advisers, and
- the committee's responsibility for the appointment, compensation and oversight of the work of any compensation adviser.

The rule exempts smaller reporting companies from all of the requirements of the new compensation committee listing standards and authorizes the exchanges to exempt other categories of issuers.

The SEC also amended its proxy disclosure rules to require new disclosures from companies about their use of compensation consultants and conflicts of interest. The companies subject to the federal proxy rules already are required to disclose information about their use of compensation consultants, including specific information about fees paid to consultants. Under the new amendments to the proxy disclosure rules, with respect to any compensation consultant that has played a role in determining or recommending the amount or form of executive and director compensation and whose work has raised any conflict of interest, companies will be required to disclose the nature of the conflict and how the conflict is being addressed.

Each national securities exchange and national securities association must comply with the amendments not later than September 25, 2012. Issuers must comply with the disclosure changes in any proxy or information statement on or after January 1, 2013.

The details can be accessed at:

[http:// www.sec.gov](http://www.sec.gov)

2. Global Reporting Initiative-- Sustainability Reporting Guidelines - G4 Open for Public Comment

G4 is GRI's fourth generation of Sustainability Reporting Guidelines and is now in developing phase. G4 is part of GRI's commitment to the continuous development of its Guidelines.

G4 aims to meet the following development priorities:

- to offer guidance in a user-friendly way, so that beginners can easily understand and use the Guidelines
- to improve the technical quality of the Guidelines' content in order to better support reporting organizations when preparing the report information and information users when using it
- to align with other international disclosure standards and relevant metrics
- to improve guidance on identifying "material" content - from different stakeholders perspective - to be included in the sustainability reports
- to offer guidance on how to link the sustainability reporting process to the preparation of Integrated Report aligned with the guidance to be developed by International Integrated Reporting Council (IIRC)

The G4 development is focused on five main areas - **Boundary, Application Levels, Governance and Remuneration, Supply Chain, and Disclosures on Management Approach.**

GRI is inviting all interested people and organizations to participate in the second G4 Public Comment Period. The public can now comment on an exposure draft of the G4 Guidelines, from **25 June to 25 September 2012**. Feedback on the draft documents will guide the GRI Secretariat, Working Groups, and governance bodies to finalize the development of G4. G4 will be launched at **GRI's Global Conference in May 2013**.

Members willing to give a feedback on draft documents may register themselves on GRI Consultation Platform for online consultation or they may send feedback via email at **G4@globalreporting.org** marking a copy at alka.kapoor@icsi.edu. Feedback may also be sent to alka.kapoor@icsi.edu.

The documents for feedback are available at:

<https://www.globalreporting.org/>

GREEN CORNER

Green Kitchen



The kitchen generates the most waste of any room in your house; here are few steps to cut back on waste.

1. **Step one:** refuse excessive packaging by taking your own bags, when buying fresh & unwrapped produce.
2. **Step two:** avoid over-sized portions; if you are regularly throwing food away then you are buying, and cooking, too much. Think about it
3. **Step three:** reuse what you can, like old glass jars or bottles, grocery bags, and packaging you can't avoid.
4. **Step four :** compost any uncooked organic waste (including cardboard and paper), even in big cities, many local farmers markets and organizations readily accept your compost.
5. **Increase use of eco friendly appliances:** energy efficient rated; in addition look out for alternative energy usage such as solar cooker, solar oven.

Good Things Around

Sustainable Technologies & Environmental Projects (Steps), a Green tech company in Maharashtra, has developed a prototype machine that turns all types of waste into crude oil including everything from plastic to electronic waste to old tyres. The capacity of the machine is to convert 150 tonnes of waste into 150,000 litres of crude oil, every day.

Remember

August 12 - International Youth Day

August 19 - World Humanitarian Day

August 29 - International Day against Nuclear Tests

Moments of Thought

"Finance Flows Where Corporate Governance Grows"

Dr. Y R K Reddy

FORTHCOMING EVENTS

ICSI Corporate Governance Week, 2012

Theme : Good Governance for Sustainability

- | | |
|-------------------------------|-------------------------------|
| * August 27, 2012 - Bangalore | * August 28, 2012 - Hyderabad |
| * August 29, 2012 - Mumbai | * August 30, 2012 - Kolkata |
| * August 31, 2012 - New Delhi | |

CII:Workshop on Corporate Governance and Risk Management

Workshop with experts in the field of Corporate Governance and Risk Management to familiarize the participants with the concepts, issues and importance of corporate governance principles and Practices and risk management governance.

Date: Aug 08, 2012

Venue: CII NR HQ, Chandigarh

FEEDBACK & SUGGESTIONS

Readers may give their feedback and suggestions on this page to Mrs. Alka Kapoor, Joint Director, ICSI
(alka.kapoor@icsi.edu)

Disclaimer:

The contents under 'CG & CSR: Watch' have been collated from different sources. Readers are advised to cross check from original sources.



From the President



You can chain me, you can torture me, you can even destroy this body, but you will never imprison my mind. ●●

Mahatma Gandhi

Dear Professional Colleagues,

Professional Independence is the state of mind that helps in arriving at a judicious conclusion without compromising on professional objectivity, integrity and standards. It also include professional skepticism that helps in developing a probing mind, rational thinking and logical assessment. In today's tempting times, these prized professional attributes may become a challenge at times, but being a professional, we have to overcome such dilemma through the strong will for professional independence. The Company Secretaries being governance professional are more duty bound to exhibit objectivity,

integrity and independence in their professional judgement. This can only be achieved through high determination thresholds. As governance professionals, the objective of enforcing sustainability aspects such as societal and environmental priorities of business without loosing the economic prosperity of the business itself is one such example.

Professional independence has helped our profession to receive acclaim from government, regulators, businesses and all stakeholders. Friends, we should demonstrate the behavior that reflects integrity, supports objectivity, and fosters trust in the profession and its professionals; actively maintain and continually improve our professional competence. Doing our professional duties with integrity, commitment, excellence and detachment brings professional independence sub-consciously.

With this thought process, I wish to inform you about the developments during the month in the following paragraphs :

Strategy Implementation Workshop

You are aware that the Council of the Institute adopted Top Ten Goals to be achieved during 2011-14. With a view to achieve these goals, a detailed strategic action plan was prepared and the implementation process was initiated. It was in this direction that the Institute organised a Strategy Implementation Workshop for Council Members and Head of Departments of the Institute to convert the implementation strategy into Specific, Measurable, Actionable, Realistic and Timely (SMART) Action Plan. The two days workshop concluded with a SMART Action Plan for Top Ten Goals with clearly defined ownership and time frame.

Visit of WTO Official to ICSI Headquarters

Dr. Harsha Vardhana Singh, Deputy Director General, WTO visited Headquarters of the Institute at New Delhi on July 18, 2012 and had



a meeting with the senior officials of Institute. Dr. Singh briefly discussed about the role of WTO and said that WTO recognizes valid objectives such as Balance of Payments, food security, conservation of natural resources, inclusive growth and good governance. He emphasized that good governance was vital for governments, corporate sectors, societies and even families.

He made very positive and encouraging observations about the profession of Company Secretaries and expressed that Company Secretary is in a powerful position in ensuring good governance amongst corporates. He further emphasized that there is a need to propagate the global standards of good governance so that these are made better known to the stakeholders. I am sure such interactions with regulatory authorities will go a long way in our endeavour for creation of new Services Sectoral Classification under WTO.

40th National Convention of Company Secretaries

Aamby Valley, Mumbai is looking forward to welcome you all to the 40th National Convention being held on October 4-6, 2012. I request all of you to block these dates to attend the Convention and make the same an enriching one. I am sure this Convention would enable you to strengthen your professional networking. Besides, thought provoking discussions and deliberations during technical sessions would provide you a clear insight into the path for adaptability to change that would ultimately benefit the profession and the professionals. An announcement containing details of delegate fee, accommodation rates, sponsorship/advertisement tariff etc. has been published in this issue.

2nd ICSI Corporate Governance Week

In line with our vision, and furthering the cause of good governance amongst corporate India, the Institute, last year decided to observe the ICSI Corporate Governance Week as an annual event. The idea behind the ICSI Corporate Governance Week is to create awareness, propagate the best practices of corporate governance and mainstream

corporate responsibility in the social fabric.

The **2nd ICSI Corporate Governance Week** will be celebrated from August 27-31, 2012 on the theme 'Good Governance for Sustainability'. Five Mega Programmes are being organized with the launch event at Bangalore on August 27 which will be inaugurated by Hon'ble Mr. Justice M N Venkatachaliah, Former Chief Justice of India.

This will be followed by programmes at Hyderabad, Mumbai, Kolkata from August 28-30, 2012. The Week will culminate into Corporate Governance Conclave at New Delhi on August 31, 2012 whereat Hon'ble Union Minister for Corporate Affairs, Dr. M Veerappa Moily has kindly consented to be the Chief Guest and Mrs. Sheila Dikshit, Hon'ble Chief Minister of Delhi has consented to be the Guest of Honour.

I urge all the members to participate in large numbers in the events being organized during the week and make it a grand success.

ICSI-Direct

The Institute has initiated the process of integrating various processes to provide more efficient services to stakeholders. This initiative uses the latest technologies and platforms to provide an effective two way communication between the Institute and its stakeholders. The first of such processes, which has been launched is Online Registration Services to the student. The Online Registration process on www.icsi.in uses technology to provide a true paperless environment. The stakeholders make use of online filing of information, payment gateway for which the transaction charges are borne by the Institute and uploading of documents. The system is intelligent enough to check the deficiencies of the information submitted by the user, if any, and advise the users to rectify the same through SMS and email. The registration letter is also issued online through the system. I am sure the completion of integration process will help the Institute to maintain the best of standards of services to its stakeholders.



From the President

MOU with IICA

The ICSI and Indian Institute of Corporate Affairs (IICA) signed a Memorandum of Understanding in the august presence of Dr. M. Veerappa Moily, Hon'ble Minister of Corporate Affairs, Government of India.

The MOU envisages joint organization of seminars, conferences, workshops for corporate professionals and corporate executives; specialized training programmes for government institutions/organizations, mid career and re-orientation training programme for Indian Corporate Law Services (ICLS) officers, Registrar of Companies, Official Liquidators, designing modules and conducting development programmes for directors' and the top management in areas of corporate law, accounting, finance, management skills and undertaking joint research projects/surveys on corporate governance, corporate social responsibility, sustainability and sustainability reporting and other areas as identified by mutual consultation with each other.

Refurbishing of WIRC

Improving infrastructure of Regions/Chapters is one of the Top Ten Goals adopted by the Council. It is towards achieving this goal, the Institute has refurbished the office of the Western India Regional Council (WIRC) with state of art facilities, which was inaugurated on July 27, 2012. I am sure the members and students of Western Region would benefit from the new and modern facilities.

Review meetings

As a follow up to my meetings with the Chairmen of Regional Councils and Chapters and as promised during the meeting, the half yearly review meetings with Regional Councils and Chapters are being organised to review the progress on the commitments made during the meeting. In this regard, I attended the review meetings with the Chairmen of WIRC and NIRC alongwith the Chairmen of Chapters under their respective jurisdictions. Similar meetings are proposed with the EIRC and SIRC.

Regional Conferences

During the month, I participated in the Regional Conference organised by WIRC at Indore and first Regional Students Conference organised by NIRC at New Delhi.

I wish all of you a Very Happy Independence Day.

With kind regards,

Yours sincerely,

New Delhi
July 31, 2012

(CS NESAR AHMAD)
president@icsi.edu

Let's go Green
Life springs from water.....Save Water for life

4 PCH for
Members
attending the
Mega Programmes



The Institute of Company Secretaries of India has always demonstrated its commitment to corporate governance and has played a pivotal role in bringing about awareness on various issues impinging upon Corporate Governance. ICSI strives to create ethos for good Corporate Governance.

In line with our vision, and furthering the cause of good governance amongst corporate India, the Institute, last year decided to observe the ICSI Corporate Governance Week as an annual event.

The idea behind the ICSI Corporate Governance Week is to create awareness, propagate the best practices of corporate governance and mainstream corporate responsibility in the social fabric.

The 2nd ICSI Corporate Governance Week will be celebrated from August 27-31, 2012. The theme and sub-themes and the details of the mega programmes being organized during the week are as follows:

Theme

Good Governance for Sustainability

Sub themes

Ensuring Effective Boards - Board Interlocks and their impact on Corporate Governance, Director Development and Performance Evaluation, Gender diversity

Achieving Sustainability- Regulators' role, Board's role, Institutional investors' role

E-Voting – New Fulcrum to Corporate Governance - Law, procedure & issues

From Self Regulation to Public Policy - National Corporate Governance Policy, Case for Non-financial Reporting - GRI Guidelines, National Voluntary Guidelines

Mega Programmes

Day & Date	Place
Monday, August 27, 2012	Bangalore
Tuesday, August 28, 2012	Hyderabad
Wednesday, August 29, 2012	Mumbai
Thursday, August 30, 2012	Kolkata
Friday, August 31, 2012	New Delhi

In addition, a number of other events will be organized on corporate governance, sustainability & sustainability reporting, integrated reporting, responsible investment, gender diversity, waste management, whistle blowing, risk management & governance, and Good Corporate Citizenship as well as furthering "Go Green" initiatives throughout the length and breadth of the country by the Regional Councils and Chapters of ICSI.

Programme Credit Hours

PCH for other programmes would be awarded as per the guidelines of the Institute.

All are cordially invited to attend and participate in the Corporate Governance Week activities.

For details and updates regarding time, venue and faculty of the Mega Programmes and other events during the Corporate Governance Week, please visit www.icsi.edu.

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Governance and Compliance through effective Employee Communication

Ineffective communication of policies and procedures is the biggest hurdle coming in the way of good governance. Besides, it is also a contributory factor for unethical and fraudulent activities on the part of the employees. This article underscores the imperative need for effective employee communication.

INTRODUCTION

Governance and compliance are never-ending processes. The main reason why an organization wants to implement a governance and compliance program would be to meet the requirements of a regulatory body or to mitigate the risks associated with not having a formal program in place. The biggest anticipated problem in implementing such a program is the ineffective communication of policies and procedures to employees. Corporate fraud is a very real threat to the health of any business. Fostering a culture of honesty and integrity will minimize the exposure to risk, and motivate honest employees to report any of the unethical and dishonest activity they witness or suspect. Reminding an employee about

a moral code has been shown to reduce the likelihood of an ethical violation. The fact that over half of all fraud detection tips came from employees suggested that organizations should focus on employee education as a key component of their fraud detection strategies.

Both advertising and employee communication can be classified under the fine art of persuasion. Employees must be persuaded to understand and work for company's vision and execute its basic promise to customers. They are the driving force behind the organization, and their behaviour is crucial to company's success.

Cracking the Fraud Triangle

It is an unfortunate reality today that fraud is woven inextricably through the fabric of the business environment. Whether it is a simple scheme or sophisticated web of deception, fraud can be a devastating event that affects people and reputation. According to Dr. Donald R. Cressey, motive, opportunity and rationalization are the three factors present in every situation of fraud. Motive is best described as the incentive or pressure that





drives an individual to commit fraud. Often, this is caused by life pressures, illicit activities or lifestyle needs that create personal financial problems. Opportunity is defined as the condition or situation that allows fraud to occur. Both the design and effectiveness of internal controls play a key role in this regard. The final element is the attitude or mindset that enables the individual to rationalize the fraudulent act.

Cracking the fraud triangle is critical to fraud mitigation activities. While organizations generally recognize the importance of evaluating, mitigating and monitoring fraud, their level of success differs in their approach to fraud risk management - especially with regard to the role of employee from an organizational perspective; one of the basic building blocks of an ethical work environment is a code of business ethics. Organizations can supplement this with specific policies to address fraud. Companies should provide periodic and ongoing communication to individuals throughout the organization as well as related third parties through multiple mediums.

Developing Communication Plan

To help mitigate fraud and misconduct, an organization must first understand the unique nature of its workforce, its morale and the triggers that motivate various groups. With these insights in hand, it can develop a communication plan to educate employees and others about fraud-risk awareness along with their roles and responsibilities with regard to fraud prevention, detection and deterrence.

A strong communication plan often features a comprehensive approach to training, which enhances knowledge retention. Depending on the role and responsibilities of the individuals within the company, additional fraud awareness training may be required to achieve the level of depth in a specific functional role. For instance, the Internal Audit department is often tasked with periodic monitoring of fraud risk. An in-depth approach to training is then required to understand indicators of fraud in specific process workflows. Management, Directors and employees who

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interact with customers and foreign officials may all require more specialized training on regulatory and compliance issues pertaining to bribery and corruption.

Companies can establish the first element of control by educating the directors, management and key personnel. Once that is achieved, organizations should direct communication to all employees to mobilize and empower the workforce to provide the next layer of control. Companies can enhance the effectiveness of their training programs significantly by incorporating ongoing awareness programs. Continuous communication and training are critical to shaping an ethical culture, reinforcing a positive work environment and encouraging the reporting of compliance violations.

Culture and Communication

The first task in undertaking a targeted communications program is assessing organizational culture, which requires a mixture of qualitative and quantitative research techniques. Qualitative research includes personal interviews, focus group and observation - methodologies that garner information about employees' attitudes, beliefs and values. Quantitative techniques include surveys and measurement of the behaviors that lead to change. In addition to understanding the culture, it is equally important to understand the levers that influence the culture: people, leadership, physical and technical infrastructure and policies, procedures and processes.

The Art of Persuasion

Few will like to object the idea that employee training and awareness are essential for the success of all companies. But has the art of persuasion in this area of communication been forgotten within the corporate world? Sending an e-mail or posting a message reiterating a policy to employees may be considered by many to be a communication "mission accomplished". But time and again, objectives fall short - not because of poor thinking, but due to a lack of execution and communication. Certainly, it is not a lack of desire to succeed in this area. Perhaps it is simply that there is little understanding about what it means to build a lasting connection with employees.





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It is absolutely critical to stay in touch with employees and to move beyond assumptions, identify real issues and learn what a "day in the life" is truly like for people, it is essential to get out there and talk to them. At the heart of an effective creative philosophy is the belief that nothing is as powerful as an insight into human nature - "what compulsion drive a man, what instincts dominate his actions".

A Fresh Approach

Should the standard communications approach be rethought? Is it enough to crack out communications material with the industrial-age marketing philosophy - "Hit them over the head with the policy or strategy long enough so that they will remember and act on it"?

It is easy to simply replicate previous year's communication programme. However, when considering budgets and strategies for the new fiscal year, one may consider the following salient points:

- What is truly happening? Understand the context and environment in which they need to communicate.
- What is a day in the life of an employee like? What do employees do? Where do they live? What do they think and feel and how can employers better relate to them? - hold a focus group with employees to obtain those insights.
- What is strategy? Before identifying a creative angle for reaching employees, craft a strategy that defines the road map. Collect meaningful insights that will enhance dialogue.

Multigenerational perspective

Today, it is common to find four distinct generations working together:

- Traditionalists - generally defined as those born between 1922 and 1945
- Baby boomers - those born from 1946 to 1964
- Generation X - those born from 1965 to 1980
- Generation Y - those born from 1981 to 2000

While any discussion of generational differences is going to be a broad snapshot, it is worthwhile to examine these differences to get a general sense of how attitudes towards work have formed and what motivates performance. In general, each generation has a collective memory and a unique set of values and beliefs - largely shaped by events and trends that transpired during the group's formative years. Traditionalists, for example, survived the Great Depression and came of age during World War II. Hard work, a respect for authority, and a command-and-control leadership style are typically hallmarks of this generation.

Each generation has different workplace behavior, which are an outgrowth of their shared experiences¹:

	Traditionalists	Baby Boomers	Gen-Xers	Gen-Yers
Behavior	Follow the rules	Challenge the rules	Change the rules	Create the rules
Training	Learn the hard way	Preferred in moderation	Required to keep me	Continuous and expected
Learning style	Classroom	Facilitate	Independent	Collaborative and networked
Communication style	Top-down	Guarded	Hub and spoke	Collaborative
Problem-solving	Hierarchical	Horizontal	Independent	Collaborative
Decision-making	Seeks approval	Team informed	Team included	Team decided
Leadership styles	Command and control	Unilateral	Coach	Partner
Feedback	No news is good news	Once per year, during the annual review	Weekly / daily	On demand
Change management	Change= Something is broken	Change = caution	Change= opportunity	Change improvement

Internal Communication aimed at everyone often reach no one

If each generation has a collective mindset that helps define their relative needs and modifications, it is easy to see how a "one-size-fits-all" approach to communication in the workplace will fail. Effective communication is driven by insight into what motivates and shapes thinking. A successful communicator needs to understand these motivations to influence any audience. Each generation also has a collective lens, shaped by shared experiences, through which its members view the world. In addition, each group has unique needs, motivations and learning styles. To take a glimpse through the generational lens is to understand a specific group's perspective and what it takes to change their behavior.

A generational approach to communication is designed to focus a specific message on a specific audience. This targeted approach aims to deliver better results in a shorter period of

¹ The changing workforce: Urgent Challenges and Strategies, 2007, Joe Kristy, associate partner, Human capital Management Practice, IBM.



time compared to an overall communication programme. One has to keep in mind that this approach is not about increasing the complexity of the communication effort by designing a specific message for each generation. Rather, it is about targeting the message to the group who will likely have the biggest positive impact on the organization with a change in behavior.

- a. *Traditionalists endeavor to build a lasting legacy - one of stability, order and structure.*
- b. *Baby boomers tend to be workaholics who measure their self-worth by how far they have climbed up the corporate ladder.*
- c. *Gen-Xers generally prefer to avoid defining themselves strictly by their careers and more by their broader responsibilities in life.*
- d. *Gen-Yers are typically categorized as confident and fearless. Yet they are particularly protective of their peers.*

It is important to understand that the workplace behaviors outlined here are only a starting point. There are inherent differences within each generation. Reaping the most value from employees and tapping into their potential depends on engaging them. Creating a connection can be accomplished only by speaking directly to them with messages that will resonate.

Web Technology as a tool of effective communication

The web allows for the effective delivery of highly complicated information, as well as interactive, real-time feedback. The gap between technology and human performance is spanned by instant, global communication. Professionals are using Web-enabled technology to track and manage initiatives such as employee training, shrink committee activities / compliance, operational audits etc.

It has been difficult, if not impossible, to reach every employee at every level to promote an ideal culture. But as soon as you get the support of senior executive, the paradigm shifts. These senior executives lend their influence and power and act as champions. Web-based technology makes it easier to enlist the support of senior executives. Because this technology makes information easily accessible, vital reports can be spread across the organization to all levels of management in real time and in analytical formats tailored to their needs.

Many leading companies follow a "Train, Track, and Target" model in the implementation of their employee communication efforts. In the first stage of this model, employees receive ongoing training focused to address key business issues. This can take the form of traditional paper-based training and awareness programs to videos or multimedia vehicles. In the second stage, activities are monitored and data is uploaded to a central database. Employees may input information electronically by telephone, e-mail or direct web input. A secure

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web server manages the data and builds reports. The third stage allows for data from the tracking stage to pour into a secure Web site that generates a variety of accurate and targeted reports instantly.

Increasing role of Social Networking in Employees Communication

Since the early days of its development, Internet has been leveraged as a social platform, and people continue to meet, connect, organize, share and collaborate online in unprecedented fashion. In an information age, knowledge-based economy demands that workers have access to relevant channels to both foster communication and facilitate collaboration on project. Thus, it is only natural that web-based social networking applications have begun to creep into the business environment. While many companies are yet to embrace social networking, more and more organizations see it as an enabler for business operations and, similar to other communication mediums.

While opening access in the workplace to these social networks can create numerous long-term benefits, there are risks involved, including reduced employee productivity and, perhaps more notably, information security breaches which may include key security risks like potential leakage of sensitive information, unintentional unload of viruses to employee computers, individuals falling prey to fraudulent scams etc. The most prominent threats are either technical or social in nature. Technical breaches primarily occur through web application security weaknesses or poor practices by employees uploading or downloading inappropriate content.

Most organizations are either evaluating or have implemented formalized policies regarding employee participation in social networking sites. Policies should include guidelines on what information can be discussed through these mediums and how to treat content obtained or downloaded from these sites. Policies also should reinforce the message that internet access is provided for business purposes and should not be abused, thereby permitting disciplinary action if productivity concerns are



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raised. Once the development of standards and practices is complete, companies must turn to educating their employees. Employee education and awareness, in tandem with strong technical security controls, will help to clarify how to use technology to achieve the expected result while also reducing the likelihood that these risks will impact business.

Change and the role of Employee Communications

The initial idea of change can be unsettling for a workforce comfortable in its established routine. That is why effective communication underlies every successful change effort. A behavior-focused approach creates sustainable change. It helps the workers to modify the way they feel and think about their jobs by aligning attitudes and behaviors with the system and process changes, as well as the overall company direction. Organizations must consider employees as complex individuals who are driven by mental, emotional, spiritual, physical, social and environmental factors. In order to educate and engage employees in a change effort - and allay their fears - the organization must seek to understand these factors and what inspires employees' thinking. The following questions need to be addressed to develop a holistic communication campaign:

1. What Do I Need to Know? - The answer to this question represents the foundation of knowledge that employees must retain to function in the changed environment.
2. Can You remind Me again? - Constant reinforcement is a core part of the learning continuum and an essential aspect to the change process.
3. Why Do I Need to Know this? - "Tell me and I'll forget; show me and I may remember; involve me and I'll understand" is a Chinese Proverb that captures the essence of this question. The vast majority of employees want to understand the bigger picture and create and establish a link between the change effort, their role and the organization's vision for success.
4. Do You know What I Know/Have Accomplished? And How Do You Know? - Without exception, employees want to be respected as competent workers. The question specifically addresses the need to measure the effectiveness of the communication effort through testing employees' knowledge or soliciting their opinion and thoughts.
5. What's in It for Me? - This question addresses recognition programs and the underlying motivations that power an employee's action. Recognition and incentive programs reward employees for performance, improve morale, and reinforce widespread adoption of corporate best practices.

Conclusion

People are the lifeblood of an organization and the most

Most organizations are either evaluating or have implemented formalized policies regarding employee participation in social networking sites. Policies should include guidelines on what information can be discussed through these mediums and how to treat content obtained or downloaded from these sites.

important element in the change management process including putting in place a comprehensive Governance and Compliance System. They ensure that the plans are translated into action. Although it is difficult to embrace a new approach, by proactively addressing each question in the communication planning process, organization can successfully introduce revolutionary positive changes in the compliance level. Change management aimed at reducing risk / depends, in part, on being able to effectively communicate the desired changes to employees in ways they understand. One of the hurdles to overcome in undertaking an effective targeted communication is gaining the attention of the audience - a considerable challenge in today's environment.

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Shareholders' Rights and Illegitimate Use Thereof

Be it the occasion of holding annual general meeting or any other time, certain individual shareholders keep on harassing companies in more ways than one. This article attempts to highlight that all those sitting on the other side of the dais (read problem-shareholders) are not angels. In order to safeguard the interest of companies harassed by such problem shareholders, some amendments must be considered by the Central Government.

INTRODUCTION

The legislative intent of the Companies Act, 1956 ("Act"), as we understand, is best served when shareholders are free to exercise their rights in a democratic manner as conferred upon them by the Act. Except a few provisions in the Act where shareholders can exercise the rights only when they meet the criteria of eligibility i.e. based on the quantity of shares held by them, other shareholders' rights including some vital ones as discussed hereinafter can be exercised by any shareholder even if one holds single share in the company. Based on the folly of hold-just-one-share-and-kneel-the-company, some individual shareholders have been seen exercising shareholders' rights which cannot be considered as diligent

behaviour towards the company, as far as intention of the legislation goes.

The Act does not classify shareholders into 'serious' and 'non-serious' categories, nor does it provide any criteria for



* Views expressed herein are the personal views of the author.



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the companies to identify them. However, the companies over a period of time have been feeling a pinch from a set of select individual shareholders who, either at the annual general meeting or at any other time, will resort to various practices for harassing the companies. This harassment starts with the demand of information or documents as per the provisions of the Act which they are not apparently interested in or serious about, then it will culminate into threats for legal action if there are marginal delays from company's side and finally it boils down to request from these shareholders for favours and freebies of all sorts from the companies. This could be precisely the reason why the word 'problem-shareholders' has come into vogue which identifies and differentiates the aforesaid 'non-serious' shareholders from those 'serious' ones who happen to be interested in the progress of companies in which they hold shares.

Following are the common examples of the ongoing harassments being faced by the companies in India from the problem-shareholders:

- Sending repeated notice(s) for removal of Managing Director/Director
- Sending repeated notice(s) offering oneself to be appointed as Director
- Raising fights and lobbying against the companies at the annual general meeting

- Frivolous complaints about non receipt of dividend
- Repeated requisitions for inspection of statutory registers/ minutes
- Repeated requisitions for copies of minutes/registers
- Requisition for details about employees and the compensation paid to them
- Splitting current holding in multiple folios (say, one shareholder holding 10 shares will split in 10 folios) just to gain over the past practice of companies of distributing gifts / discount coupons at general meetings to the shareholders on per folio basis
- Multiple folios were not only used as a tool to fetch gifts as above, but also used as a well-thought-of gimmick to successfully get the allotment of shares in IPOs wherein single individual will make multiple applications and can be sure that at least one or couple of his multiple applications will succeed. And, the companies are left to face the challenge of handling and maintaining the magnitude of such inflated number of folios.

The reason as to why the above acts have been referred as 'harassment' in this Article is, the above acts initiated by the individual shareholder(s) who hold either 1 (one) or 2 (two) share(s) in the company, appear to be nothing but their illegitimate intention to harass the companies and eventually demand favours. Apparently, these kinds of shareholders are neither serious about action being initiated by them as a shareholder, nor willing to participate in the growth of the company. In fact, these short-sighted shareholders use the



'shareholder rights' as a tool to initiate a bargain with the companies to cater to their individual vested interests.

They Leverage on Government Machinery Too

Another irony lies in the fact that this special category of shareholders also thrives on putting the valuable regulatory machinery of the country to misuse in their game. This is often seen where companies miss out to manage these problem-shareholders at the outset. In such cases, these shareholders do not hesitate in writing/ forwarding their flimsy complaints to various authorities responsible to protect shareholders interest in the country viz. SEBI, Registrar of Companies (RoC), Stock Exchanges, etc. and in turn such complaints are forwarded by SEBI, RoC or Stock Exchanges, as the case may be, to the companies for resolving the same. Since, as per the listing agreement, the listed companies are supposed to report the status of the shareholders' complaints received, attended and outstanding at the end of each quarter, the companies are left with no option but to resolve these so called complaints of the problem-shareholders in the name of "prompt shareholders' grievance redressal". Thus the simple point companies drive home is, to manage these problem-shareholders.

Excerpts from Media briefings

Stalwarts of India Inc., who preside over the Annual General Meetings of large companies as Chairman, are critical of the behaviour of the problem-shareholders. According to them, "these shareholders just make a nuisance of themselves and jeopardise the meeting. Their intention is different and they are not interested in participating in a healthy discussion on the company's accounts. A few minority shareholders consciously hold to ransom almost every shareholder meeting they attend and their modus operandi is simple: raise an insignificant issue and then pick a fight over it to disrupt the proceedings at general body meetings. Later on these problem-shareholders come to us and ask for all sorts of favours. If these are not granted they repeat their behaviour in the next meeting. All corporate houses are facing the same problem. We must protest and bring an end to this".

(Source: www.thehindubusinessline.com)

Victim Companies' Recourse

Companies who are victims of such onslaughts of vexatious complaints and notices from the problem shareholders and notices sent in the name of shareholders' rights, hardly have any valid recourse.

Industry witnesses some companies going by the rule-book and approaching the Company Law Board (CLB) seeking

In several cases, where the flimsy actions initiated by some individual shareholders turned into full legal battle, the Company Law Board (CLB) has held that the notices under Section 284 for removal of directors moved by the shareholders are often frivolous, vexatious having been sent by shareholders with an ulterior motive to harass companies.

stay against the notices for removal of managing director / director received from the problem-shareholders under Section 284 of the Companies Act. In fairness to such victim companies, CLB has been considerate in granting the stay in these cases understanding the frivolousness of these flimsy notices which were meant only to harass the companies and not for any valid objective. Experts will agree that the act of circulating/publishing such notices under Section 284 and including the resolution in the notice of the Annual General Meeting is an expensive and time consuming affair for the companies and their company secretaries to follow through.

The pinch to the companies comes from the fact that the shareholders, who choose to send such kind of notice(s) repeatedly to several companies year after year, are neither serious shareholders nor do they represent a sizeable group of genuinely participating shareholders whose representations, feedback and inputs could be raised at the general body meetings and addressed in presence of all shareholders for mutual benefit of the companies and companies' shareholders.

The Frivolousness has been upheld by the Judiciary Too

In several cases, where the flimsy actions initiated by some individual shareholders turned into full legal battle, the Company Law Board (CLB) has held that the notices under Section 284 for removal of directors moved by the shareholders are often frivolous, vexatious having been sent by shareholders with an ulterior motive to harass companies. The CLB in its several orders passed under section 284(4) directed the companies not to place the proposal to remove the director in the notice of the General Body Meeting, without showing any favour to the problem-shareholders. Some such cases as decided by CLB and High Courts are:

- a) *Karnataka Bank Ltd. v. A.B. Datar and Others*; 1994 79 Comp Cas 417 Kar, 1993 (2) KarLJ 230 (Karnataka High Court, on 22/4/1993).



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- b) *Dabur India Ltd. v. Anil Kumar Poddar*; 2002 108 Comp Cas 293 CLB (Company Law Board, on 12/9/2001).
- c) *HDFC Bank Ltd v. Suresh Chandra V Parekh*; Company Petition No. 10/284/CLB/WR/2005 (Company Law Board, on 31/10/2006).
- d) *Housing Development Finance Corporation Ltd v. Suresh Chandra V Parekh*; CR.MA/7690/2000 10/10 criminal misc. application no. 7690 of 2000 with criminal misc. application no. 860 of 2003 (High Court of Gujarat, on 28/8/2008).
- e) *Suresh Chandra V Parekh v. HDFC Bank Ltd*; SCA/7564/2009 4/5, special civil application no. 7564 of 2009 with special civil application no. 8163 of 2009 (High Court of Gujarat, on 17/9/2009).

Like in many other cases which are not referred herein, the outcomes in all the above cases were in favour of the companies and against the shareholders. Since it would be cumbersome to sum up the detailed facts and outcome of each of the said five cases here, the facts and decisions in only two of the above cases are being discussed as under:

In *Dabur India Ltd.* case the petitioner submitted that the respondent holding only one share in the company has issued the notice under section 284 for removal of the second respondent as a director with *mala fide* intention and with the view to harass the company. Petitioner also pointed out that the notice is a printed notice with gaps for filling up of the name of the company, the name of the director

proposed to be removed and the date of the AGM and similar such notices have been reportedly sent to many other companies. Petitioner produced a copy of the notice received by Goetze (India) Ltd. wherein also the respondent had sent a similar notice by filling up the gaps in the printed letter. Petitioner further pointed out that the respondent had sought various information from the company earlier and in view of non-furnishing of the same, he has sent the notice under section 284. Petitioner also pointed out that the director who has been proposed to be removed by the respondent is the CEO of the company and to place any notice before the General Body to remove him would be prejudicial to the interest of the company. The Company Law Board held that it has the powers to direct a company not to circulate the notice for removal of a director if it is convinced that the provisions of section 284 are being abused. In the present case, it is quite obvious, from the printed notice with the gaps to be filled in as indicated by the petitioner, that the removal of the director sought in the said notice is not a bonafide exercise of the rights by a shareholder but a blatant abuse to the provisions of section 284 with an ulterior motive. Therefore, the CLB considered it a fit case to exercise the powers under section 284(4) and, accordingly, directed that the company need not place the proposal to remove director in the notice of General Body Meeting.

In *Suresh Chandra V Parekh's* case the petitioners, as shareholders, made several frivolous and baseless allegations against the respondents. The petitioner along with his wife held seven shares in HDFC Ltd which he, by executing seven transfer deeds, transferred in seven separate folios in various combinations of his and his wife's names, short names, with middle names, without middle names, etc. HDFC Ltd after realizing that all seven folios belonged to the same persons, placed all seven shares in single folio. In 1994, HDFC Bank came out with a preferential offer to the shareholders of HDFC Ltd with a basis that a shareholder holding one to ten shares of HDFC Ltd will be offered 100 share of HDFC Bank. Hence, the petitioners got 100 shares against seven shares held by them. But the petitioners claimed that they ought to have been offered 700 shares, and initiated action to claim loss of 600 shares multiplied by market price of HDFC Bank shares. As the market price of the shares of HDFC Bank increased, the claim of petitioners in various litigations filed by them at different times kept on increasing with the share price being the multiplying factor. The petitioners also alleged that HDFC Bank has made violations of the SEBI (DIP) Guidelines, 2000 in the aforesaid preferential allotment whereas the said Guidelines did not exist in 1994 when the allotment was made. The petitioners have initiated all sorts of litigations against HDFC Ltd and HDFC Bank in various courts. After hearing, the High Court of Gujarat held that the petitioners have not approached the Court with clean hands. The





Certain shareholders' rights under the Act which are being misused by the problem shareholders as a tool to harass the companies should be amended to be made criteria-based i.e. restricted to a minimum shareholding criteria depending upon the number or value of the shares held by a shareholder singly or along with other shareholder(s).

petitioners abused the process of Court which renders this case to be a clear case of 'Criminal Contempt of Court'. The petitioner who appeared in person was explained that if he intends to pursue the matters, the Court will proceed to pass an order under the Contempt of Courts Act. On this, the petitioner withdrew the petition unconditionally. The Court took on record with pains that the people have gone mad for earning easy money at the share market and have lost all sense of proportion and propriety to get the benefits flowing from the deals at the market and that this is one such illustrious example of such madness, under which the petitioners have approached this Court.

Conclusion

Except the provisions of Section 284(4) of the Act providing a way out to companies in case of frivolous notices for removal of director, there is no recourse available to the companies to skip the rampantly prevalent harassment by the problem-shareholders of late. It seems imperative for the Government to bring about necessary amendments and introduce more such provisions in the Act in order to safeguard the interest of the companies.

It is recommended that certain shareholders' rights under the Act which are being misused by the problem shareholders as a tool to harass the companies should be amended to be made criteria-based i.e. restricted to a minimum shareholding criteria depending upon the number or value of the shares held by a shareholder singly or along with other shareholder(s). Above recommendation does not appear to be strange as the Act already contains certain shareholders' rights which are based on the eligibility criteria as prescribed under the Act viz. right to make requisition to hold an extra ordinary general meeting, right to demand poll at general

body meetings and the rights available to small shareholders. Likewise certain shareholders' rights under the Act viz. right to appoint/remove directors, right to inspect minutes & registers and demand copies thereof, etc. should be amended to be made available subject to an eligibility criteria.

The above step would be a right move at the right time by the Ministry of Corporate Affairs as the Ministry is presently contemplating sweeping reforms in company law. The associations/confederations/industry representatives also need to look into this aspect and make suitable recommendations to the Ministry of Corporate Affairs in this regard.

Today there are plenty of foreign companies operating in India, with or without an Indian partner, and quite a few of them are public limited companies listed on Indian stock exchanges. The point being driven here is that the problem-shareholders would not have spared such listed foreign companies either. The harassment scene staged by such problem-shareholders if any will always be perceived by such foreign companies as a bottleneck while doing business in India. The amendments proposed in this article may therefore be seen as removal of a bottleneck for prospective foreign investors who would be looking forward to invest in India, being the second fastest growing economy in the world. Needless to mention here that the existing framework of the Companies Act, 1956 is comprehensive enough to protect the interest of all shareholders in general and the small shareholders in particular. In view of the above, a few clarifying amendments with regard to the subject herein would serve to redress the grievance of 'harassed' companies in India from their problem shareholders. ■



Articles

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Why Business Organisations are not suitable for Foreign Contributions?

No business organisation is allowed to accept foreign contribution. Only registered Trusts, Societies and Companies registered under Section 25 of the Companies Act, 1956 can do so to carry out definite cultural, economic, educational, religious or social programme. Why a company being a business organisation is regarded as an unsuitable candidate for the purpose? Compared to NGOs, companies pass through more stringent legal measures under the watchful eyes of several regulators, which will enable the authorities to trace the sources of the fund and monitor the end uses thereof.

The Story

A company enjoys excellent overseas market of its Indian products. To show its human face, it has been serving for long for the upliftment of the civic life, e.g., schooling and medicals, etc. of the poor in the vicinity where its only factory is situated, which is a remote area. It has well defined schemes for the purpose and allocates a certain amount every year from its profits towards this end.

Presently, it is expanding its business and setting up a number of factories to diversify as well as augment present production.





It has chalked out a plan for social welfare in larger scale to cover the areas of its new factories also. According to its plan, to add to its own internally generated strength, it will collect contributions from the foreign buyers of its products by way of charging a small premium being certain percentage on the sale prices from the willing customers only. The Management reasonably believes that the company's goodwill in the overseas market will certainly help. The proceeds of the premium will be remitted to India as 'foreign contributions' and credited to a separate Bank Account with a Scheduled Bank specially maintained for the purpose.

As stated, the company has been performing Corporate Social Responsibilities ('CSR') for long - voluntarily. (A number of good business houses in the country are doing so). Obviously, this new plan will increase the company's power to so perform.

For the legal compulsion, the company decides to apply for registration/ permission under the Foreign Contribution (Regulation) Act, 2010 ('the Act') to enable it to receive and utilise the foreign contributions for the great purpose.

The questions

- A. Can the proceeds of the premium be called 'foreign contributions' under the meaning of Section 2(h) of the Act?
- B. Will the application for registration/permission to be made by the company succeed? In other words, will the company qualify as an applicant under the Act?

Quest for the answers

1. DEFINITION OF 'FOREIGN CONTRIBUTION':

Section 2 (h) of the Act provides as under –

"foreign contribution" means the donation, delivery or transfer made by any foreign source,–

- (i) of any article, not being an article given to a person as a gift for his personal use, if the market value, in India, of such article, on the date of such gift, is not more than such sum as may be specified from time to time, by the Central Government by the rules made by it in this behalf;
- (ii) of any currency, whether Indian or foreign;
- (iii) of any security as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and includes any foreign security as defined in clause (o) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999).

Explanation 1. – A donation, delivery or transfer of any article, currency or foreign security referred to in this clause by any person who has received it from any foreign source, either directly or through one or more persons, shall also be deemed

A company which is not in business, i.e. registered under Section 25 of the Companies Act, 1956 is straightway eligible to receive and utilise 'foreign contributions' (provided registered/permitted and complied with all other relevant provisions under the Act).

to be foreign contribution within the meaning of this clause.

Explanation 2. - The interest accrued on the foreign contribution deposited in any bank referred to in sub-section (1) of section 17 or any other income derived from the foreign contribution or interest thereon shall also be deemed to be foreign contribution within the meaning of this clause.

Explanation 3. - Any amount received, by any person from any foreign source in India, by way of fee (including fees charged by an educational institution in India from foreign student) or towards cost in lieu of goods or services rendered by such person in the ordinary course of his business, trade or commerce whether within India or outside India or any contribution received from an agent of a foreign source towards such fee or cost shall be excluded from the definition of foreign contribution within the meaning of this clause;'

Some significant parts of the definition, as relevant to this Article, may be highlighted as under -

- The contribution may assume the form of any 'donation', 'delivery' or 'transfer'.
- The contribution to be called 'foreign' should be from a 'foreign source'. The 'foreign source' has been defined by Section 2(j) as under -

"foreign source" includes,–

- (i) the Government of any foreign country or territory and any agency of such Government;
- (ii) any international agency, not being the United Nations or any of its specialised agencies, the World Bank, International Monetary Fund or such other agency as the Central Government may, by notification, specify in this behalf;
- (iii) a foreign company;



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To be legally eligible to receive and utilise foreign contribution a person has to apply for registration in Form FC-3 appended to the Foreign Contribution (Regulation) Rules, 2011 ('the Rules') or permission of the Central Government in Form FC-4 appended to the Rules as prescribed by the Ministry.

- (iv) a corporation, not being a foreign company, incorporated in a foreign country or territory;
- (v) a multi-national corporation referred to in sub-clause (iv) of clause (g);
- (vi) a company within the meaning of the Companies Act, 1956 (1 of 1956), and more than one-half of the nominal value of its share capital is held, either singly or in the aggregate, by one or more of the following, namely:-
 - (A) the Government of a foreign country or territory;
 - (B) the citizens of a foreign country or territory;
 - (C) corporations incorporated in a foreign country or territory;
 - (D) trusts, societies or other associations of individuals (whether incorporated or not), formed or registered in a foreign country or territory;
 - (E) foreign company;
- (vii) a trade union in any foreign country or territory, whether or not registered in such foreign country or territory;
- (viii) a foreign trust or a foreign foundation, by whatever name called, or such trust or foundation mainly financed by a foreign country or territory;
- (ix) a society, club or other association of individuals formed or registered outside India;
- (x) a citizen of a foreign country;

- If any article is gifted by any foreign source for the personal use of the receiver, the gift is not a 'foreign contribution'.
- If the gift is not for the personal use of the receiver, it can be called a 'foreign contribution' if it is of small value (i.e., its Indian market value on the date of such gift does not exceed such sum as may be specified from time to time by the Central Government by the Rules made by it in this behalf).

- Even if the contribution is routed through one or more intermediaries it shall be deemed as 'foreign contribution'.
- The interest earned on the foreign contribution (including interest on the amount of the contribution paid by the Bank through which it is received from abroad) and any other incomes derived therefrom are 'foreign contributions'.
- Any amount received towards cost in lieu of goods or services rendered in the ordinary course of business, trade or commerce whether within India or outside India is not a 'foreign contribution' [Explanation 3 to Section 2(h) of the Act]. Because, in such a case the character of the money is not donative but commercial.

[There was no Explanation in the Foreign Contribution (Regulation) Act, 1976 (repealed by the Act) similar to Explanation 3 to Section 2(h) of the Act. This is a new inclusion].

2. THE PREMIUM AMOUNT - WHETHER A 'FOREIGN CONTRIBUTION' :

According to Explanation 3 to Section 2(h) of the Act 'cost in lieu of goods or services rendered by such person in the ordinary course of his business, trade or commerce whether within India or outside India' is not foreign contribution.

Here, 'cost' means the 'cost' to the person overseas to whom the goods have been supplied or services have been rendered, i.e. the sale price received by the Indian supplier.

In the given case, the company is selling its products in the ordinary course of its business. But it is recovering the amount (i.e. premium) 'in addition to' the normal sale price from the willing customers. Therefore, the amount of premium can reasonably be regarded as 'foreign contribution' - given the language of Section 2(h) of the Act.

3. ELIGIBILITY OF A COMPANY WHICH IS A BUSINESS ORGANISATION :

According to Section 11 of the Act, any person having a definite cultural, economic, educational, religious or social programme can accept foreign contribution (to be utilised for the purpose of the programme - Section 8) provided such person obtains a certificate of registration from the Central Government.

The Section states further that a person, who is not registered under the Act may accept any foreign contribution only after obtaining the 'prior permission' of the Central Government and such prior permission shall be valid for the specific purpose for which it is obtained and from the specific source.

The Section in its sub-Section (3) stipulates that notwithstanding anything contained in the Act, the Central Government may, by notification in the Official Gazette, specify-

- (i) the person or class of persons who shall obtain its prior



- (ii) permission before accepting the foreign contribution; or
- (iii) the area or areas in which the foreign contribution shall be accepted and utilised with the prior permission of the Central Government; or
- (iv) the purpose or purposes for which the foreign contribution shall be utilised with the prior permission of the Central Government; or
- (v) the source or sources from which the foreign contribution shall be accepted with the prior permission of the Central Government.

'Person' has been defined by Section 2(m) of the Act as under -

"Person" includes—

- (i) an individual;
- (ii) a Hindu undivided family;
- (iii) an association;
- (iv) a company registered under section 25 of the Companies Act, 1956 (1 of 1956);'

'Association' has been defined under Section 2(1) (a) of the Act as 'an association of individuals, whether incorporated or not, having an office in India and includes a society, whether registered under the Societies Registration Act, 1860 (21 of 1860), or not, and any other organisation, by whatever name called;'

Needless to mention that a company is an 'association' of persons who have been 'associated for any lawful purpose' (Section 12 of the Companies Act, 1956) and granted Certificate of Incorporation (Section 34 read with Section 35 of the Companies Act, 1956).



To put in a nut shell -

- a) Section 2(h) of the Act declares what is 'foreign contribution'.
- b) Section 2(m) of the Act indicates who can receive the 'foreign contribution'.
- c) Section 11 of the Act lays down how one can receive and should utilise the 'foreign contribution'

The aforementioned three crucial Sections in this regard do not strike off any 'business organisation' from their considerations. A company which is not in business, i.e. registered under Section 25 of the Companies Act, 1956 is straightway eligible to receive and utilise 'foreign contributions' (provided registered/ permitted and complied with all other relevant provisions under the Act). Section 2(m) is clear in this respect.

But a company, which is in business, has not been either **expressly** included or excluded by the Act - to be eligible to receive and utilise 'foreign contributions'. **Therefore, prima facie, it is eligible!**

4. NON-ELIGIBILITY OF A BUSINESS ORGANISATION:

There appears to be a conflict between the Act itself on one side and the administrators and regulators of the Act on the other, namely, the Ministry of Home Affairs ('the Ministry') and the Reserve Bank of India ('RBI').

To be legally eligible to receive and utilise foreign contribution a person has to apply for registration in Form FC-3 appended to the Foreign Contribution (Regulation) Rules, 2011 ('the Rules') or permission of the Central Government in Form FC-4 appended to the Rules as prescribed by the Ministry. Either of the Forms asks whether the applicant is (a) religious, (b) cultural, (c) economic, (d) educational or (e) social organisation. It also asks for the (a) registration number, (b) place of registration and (c) date of registration (also the PAN) of the applicant if it is an association which is a registered Trust or Society.

The preamble to the Act starts with 'An Act to consolidate the law to regulate the acceptance and utilisation of foreign contribution or foreign hospitality by certain individuals or associations or companies ...' Here, does the word 'companies' mean the companies registered under Section 25 of the Companies Act, 1956 only ? Had it been so, the definition under Section 2(m) of the Act would have been conveniently worded to be 'exclusive' not 'inclusive'!

The 'introduction' to the Act given by the Ministry states, *inter alia* that 'The Act also seeks to regulate flow of foreign funds to voluntary organizations...' **Mark the word 'also' as opposed**



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to 'only'. So, the 'voluntary organizations' are not the only target.

But the Ministry and RBI have the following uniform view expressed through their answers posted against the relevant question with reference to the concerned 'FAQ':-

The Ministry -

Question: What are the eligibility criteria for grant of registration?

Answer: For grant of registration under FCRA, 2010, the association should:

- (i) be registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or section 25 of the Companies Act, 1956 etc;
- (ii) normally be in existence for at least three years and has undertaken reasonable activity in its chosen field for the benefit of the society for which the foreign contribution is proposed to be utilised. For this purpose, the association should have spent at least Rs.10,00,000/- over the last three years on its activities, excluding administrative expenditure. Statements of Income & Expenditure, duly audited by Chartered Accountant, for last three years are to be submitted to substantiate that it meets the financial parameter.

RBI -

Question: What are the eligibility criteria for registration?

Answer: An organisation in formative stage is not eligible for registration. Such organisation may apply for grant of prior permission under the law. For grant of registration, the association should:

- (i) be registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or section 25 of the Companies Act, 1956;
- (ii) be in existence for at least three years and have made significant contribution in chosen area of activity. For this purpose, the association should have spent at least Rs.6,00,000 over last three years on its activities, excluding administrative expenditure. Statement of Income & Expenditure duly audited by Chartered Accountant for last three years may be enclosed to substantiate financial parameter.

A company which is a business organisation will arguably be well equipped to meet paragraph (ii) (in either case) set above.

The Act nowhere expressly excludes the business organisation. The body of the Rules also does not do so. But the Forms of Application, namely, Form FC-3 and FC-4 attached to the Rules, impliedly do so. The Ministry's view as well as the RBI's opinion supports the Forms in this respect.

Explanation 3 to Section 2 (h) of the Act has excluded from the purview of the Act only the business income of any person engaged in business, trade or commerce - neither the person himself (or itself) nor his (or its) other receipts. Because, a person engaged in any business, trade or commerce has not been intended to be treated as an outright outcast by the Act.

However, according to Section 12(2) of the Act the Central Government shall reject the Application for Registration / Permission made under Section 11 of the Act if the Application 'is not in the prescribed form or does not contain any of the particulars specified in that form'. There lies the legal status of the conditions of the Forms. Thus the conditions become mandatory.

And the truth is that, as previously stated, the Forms impliedly exclude the business organisations from the list of the probable applicants!

Why then right from the preamble to the Act, all through the Act and the Rules, (excepting the Forms appended to the Rules) there is no provision against business organisation to receive 'foreign contribution'? This can not be denied that the strength of a business organisation to mobilise foreign fund to subserve the (a) religious, (b) cultural, (c) economic, (d) educational and



The Companies Bill, 2011 ('the Bill') vide Clause 135 provides that every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board. The Committee should formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Bill. ●●

(e) other great social causes of the country, is quiet substantial. The 'foreign contributions' collected by a company being a business organisation can play a significant booster in its CSR (Corporate Social Responsibilities).

5. C S R UNDER THE COMPANIES BILL, 2011 :

The Companies Bill, 2011 ('the Bill') vide Clause 135 provides that every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board. The Committee should formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Bill.

According to Clause 135, the Board of every such company must make every endeavour to ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

Further according to Clause 135, if the company fails to spend such amount for the purpose, the Board should, in its Report for the relevant Financial Year, specify the reasons for not spending the amount.

Schedule VII lists the following activities in relation to Corporate Social Responsibility Policy -

- i) eradicating extreme hunger and poverty;
- (ii) promotion of education;
- (iii) promoting gender equality and empowering women;
- (iv) reducing child mortality and improving maternal health;
- (v) combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- (vi) ensuring environmental sustainability;
- (vii) employment enhancing vocational skills;
- (viii) social business projects;
- (ix) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- (x) such other matters as may be prescribed.

The activities set out at (i) to (viii) above can comfortably fit into the object of the Act. The Bill opts for compulsion on large companies (vide Clause 135) to take up the social responsibilities out of their own resources. The Bill nowhere prohibits a company from accepting foreign contributions for the purpose. Of course, spending out of the internally generated fund will be mandatory as given in Clause 135. Foreign contributions, if allowed, may well act as an additional resource.

In Fine

A part of the introduction to the Act by the Ministry reads, 'The focus of the Act is to ensure that the foreign contribution and foreign hospitality is not utilised to affect or influence electoral politics, public servants, judges and other people working in the important areas of national life like journalists, printers and publishers of newspapers, etc. The Act also seeks to regulate flow of foreign funds to voluntary organizations with the objective of preventing any possible diversion of such funds towards activities detrimental to the national interest and to ensure that individuals and organizations may function in a manner consistent with the values of the sovereign democratic republic'.

Accordingly, the unwelcome 'foreign contributions' have been guarded against by Section 3 of the Act, i.e. 'Prohibition to accept foreign contribution'.

Finally, one must agree that the supervision of the flow of the foreign contributions from their sources to their uses, for the desired effect, presently conducted under the Foreign Contribution (Regulation) Act, 2010 shall gain considerable leverage, if the company law is in a position to support it. ■



Articles

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Trade Marks and Company Secretary in Practice

The creation of Intellectual Property Rights is increasingly being recognized in today's global economy and society. In view of this, Trade Marks law offers much scope for good practice. A PCS can expand his practice by taking up the trade marks practice. He shall advise and guide on Trade Marks law and thus can provide useful service to the society and corporates.

INTRODUCTION

The objective of the Trade Marks Act, 1999 is to register trade marks applied for in India and to provide for better protection of trade mark for goods and services and also to prevent fraudulent use of the mark.

A Company Secretary in practice must be conversant with Trade Mark registration and law relating to trademarks. While applying for name availability for incorporation of a company under the Companies Act, 1956, he has to make a search in trade mark website to find out whether the name applied for has already been registered as trade mark and if so the same has to be mentioned in Form 1A. The Trade Mark search facility is now linked with MCA website so that one can search the Trade Mark from MCA website

through the link facility available.

As per the provisions of Trade Marks Act, only an applicant or a legal practitioner and a registered trade mark agent is authorised to file trademark applications. To become registered trade mark agent, the requirement is to pass the trade Mark examination conducted by Trade Marks Registry. But for Company Secretaries there is no





need to appear for the examination. A practising Company Secretary can become a registered Trade Mark Agent and can practice in trademark by applying to the Trade Marks Registry within whose territorial limits the principal place of business of the applicant is situated with prescribed fees. On registration, he will be given an agent code number and this can be renewed every year.

Trade Marks Law in India

The Trade Marks Registry was established in India in 1940 and it administers the Trade Marks Act, 1999 which came into force with effect from September 15, 2003. The Trade and Merchandise Marks Act, 1958 was repealed at the same time. The Trade Marks Act 1999 (hereinafter referred to as "the Act") is in line with the WTO recommendations and is in conformity with the TRIPS Agreement to which India is a signatory. Registration of trade mark confers certain statutory rights on the Registered Proprietor which enables him to sue for infringement of the trade mark.

This is in addition to the common law right to sue for passing off. The trade Marks Registry administers the Trade Marks Act, 1999 and the rules framed thereunder.

The Trade Marks Registry has its Head office at Mumbai and Branch offices at Kolkata, Delhi, Chennai and Ahmedabad having territorial jurisdiction on a zonal basis as given below:

S.No.	Name and address of the Trade Marks Registry	Jurisdiction
1	Trade Marks Registry, Mumbai (Head Office) Intellectual Property Bhavan, Near Antop Hill Head Post Office, S.M. Road Antop Hill, Mumbai 400037	State of Maharashtra, Madhya Pradesh and Goa
2	Trade Marks Registry, Delhi Intellectual Property Bhavan Plot No. 32, Sector 14 Dwarka, Delhi - 110075	State of Jammu & Kashmir, Punjab, Haryana, Uttar Pradesh, Himachal Pradesh, Union Territory of Delhi and Chandigarh
3	Trade Marks Registry, Kolkata, CP-2, Sector V, 5th floor I P Bhavan, Salt Lake Kolkata- 700091	State of Arunachal Pradesh, Assam, Bihar, Orissa, West Bengal, Manipur, Mizoram, Meghalaya, Sikkim, Tripura and Union Territory of Nagaland, Andaman & Nicobar Island
4	Trade Marks Registry, Chennai IP Building, GST Road, Guindy Chennai-600032	The state of Andhra Pradesh, Kerala, Tamil Nadu, Karnataka and Union Territory of Pondicherry and Lakshadweep Island.
5	Trade Marks Registry, Ahmedabad, 15/27, National Chambers, 1st Floor, Ashram Road Ahmedabad	Gujarat, Rajasthan, Union Territory of Daman, Diu, Dadra and Nagar Haveli.

The Trade Marks Registry is maintaining the Register of

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trademarks in electronic mode. Trade Marks Website is both for trademark and patents. To go to trade mark website one has to login [http:// www.ipindia.nic.in](http://www.ipindia.nic.in) Trademark search can be made in the website. Likewise, Trademark application status can also be verified therein. However, for copyright there is a separate website. Copyright registration is governed by Copyright Act, 1957.

Meaning of Trade Mark

'Mark' includes a device, brand heading, label, ticket, name, signature, word, letter, numeral shape of goods, packaging or combination of colours of any combination thereof. "Trade Mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours.

Trade Marks Registration

The law provides for registration of trademarks and service marks being used or intended to be used on goods, services, certification and collective marks.

Trademarks will not be registered if they are "devoid of any distinctive character" or if they serve "to designate the kind, quality, quantity, intended purpose, values, geographical origin, time of production/rendering of the service, other characteristics of the goods or service" or if they consist of elements "which have become customary", unless they have acquired a distinctive character as a result of their use or were already well known as a trademark.

In addition trademarks are NOT registrable if they:



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Trade Marks and Company Secretary in Practice

The Trade Marks Act 1999 is in line with the WTO recommendations and is in conformity with the TRIPS Agreement to which India is a signatory. Registration of trade mark confers certain statutory rights on the Registered Proprietor which enables him to sue for infringement of the trade mark. ●●

- ◆ are scandalous or obscene, offend religious susceptibilities, or contrary to the law or morality;
- ◆ are likely to deceive or cause confusion;
- ◆ feature representations of the Indian national flag, the name or pictorial representation of Mahatma Gandhi, Jawahar Lal Nehru, Chhatrapathi Shivaji, or similar national leaders or the Prime Minister of India and the names and emblems of certain international organization; or
- ◆ consist exclusively of the shape of goods, which results from the nature of goods themselves or which is necessary to obtain a technical result or if the shape gives substantial value to the good.

Types of Trade Marks that can be Registered

Under the Indian trademark law the following are the types of trademarks that can be registered:

- Product trademarks: Those that are affixed to identify goods.
- Service trademarks: Used to identify the services of an entity, such as the trademark for a broadcasting service, retail outlets, etc. They are used in advertising for services.
- Certification trademarks: Those that are capable of distinguishing the goods or services in connection with which it is used in the course of trade and which are certified by the proprietor with regard to their origin, material, the method of manufacture, the quality or other specific features
- Collective trademarks: Registered in the name of groups,

associations or other organizations for the use of members of the group in their commercial activities to indicate their membership of the group.

Registration Procedure

It is important that trademarks owners apply for registration in Form TM-1 to be filed in triplicate accompanied by five additional representations of trade marks along with filing fees of Rs.3500 as early as possible. Application for registration is made by the mark's owner/proprietor (or agent with power of attorney) to the Registrar of Trademarks.

- ◆ The trademark owner must have the intention to use the mark himself or through a registered user or by a person other than himself and a registered user.
- ◆ Multi class applications can be filed
- ◆ As per rule 4 of Trade Marks Rules 2002, a trade mark application is to be filed at the appropriate office within whose territorial limits, the principal place of business in India of the applicant is situated.
- ◆ Applications who are not Indian nationals or living in India must provide the Registry with an address for service in India or they must appoint a local registered agent or representative.
- ◆ For trademarks containing words in a language other than Hindi or English, the Registrar may request a translation.
- ◆ Applicants can claim priority, provided the application is filed in India within six months of the priority date; multiple and partial priorities are allowed.
- ◆ Trade Mark application can be made from anywhere electronically with the help of Digital Signature.
- ◆ Fourth Schedule of the Trade Mark Rules, 2002, contains 45 classes of good and services and out of this Class 1 to 34 relates to goods and from class 35 to 45 relates to services. The relevant class number has to be mentioned in the TM-1. For example Class 5 is for Pharmaceuticals.
- ◆ Before making an application for registration it is prudent to conduct a trademark search in the Trademark office in context of the already registered trademarks to ensure that registration may not be denied in view of resemblance of the proposed mark to an existing one or prohibited one.

Only the proprietor of a trademark whose trademark has been



registered in India can use the symbol ® in India. Using the symbol ® unless the mark has been registered in India is unlawful.

Using ™ symbol with the trademark simply implies that one can claim to be the proprietor of the trademark. There is no prohibition on the use of the symbol ™ in India.

Specific application requirements include the following:

- ◆ Name, address, state of incorporation, class(es) of goods/services.
- ◆ Authorization of agent through Power of Attorney.
- ◆ 15 prints (in case of marks in color); three different views for three dimensional marks.
- ◆ Date of first use in India or whether the mark is intended to be used.
- ◆ Trade description of the applicants.
- ◆ In case priority is being claimed, a certified copy of the priority document along with its certified English translation.

Examination

Applications are examined to ensure compliance with the law and to ensure they do not conflict with marks that are already registered or pending. The examiners report is placed in the website and the applicant has to check the status in the website and give reply for the examiners remarks.

Application may be amended provided the amendment does not constitute a major alteration. In the case of identical or similar marks, registration may be permitted with proof that the mark was being used concurrently and in good faith.

A registrant can re-file an application for a different specification of goods or in the event registration has lapsed due to non-payment of renewal fee. In case of any objections, the trade Mark authorities will fix a hearing. Practicing Company Secretaries as Trade Mark agent can appear before the Trade Mark authorities.

Opposing an Application

Accepted applications are advertised in the Trademarks journal

and the journal can be seen from Trademark website. Any opposition may be filed within three months from the date of publication in the Trademarks journal; a one month extension for filing opposition can be obtained within the three month period.

International Non Proprietary Names

International Non proprietary names (INN) facilitate the identification of pharmaceutical substances or identification of pharmaceutical substance or active pharmaceutical ingredients. The list of INN as declared by World Health Organisation is available in trade Mark website (For example Abatacept, Triletide, Zotepine, etc.). Each INN is a unique name that is globally recognized and is public property. To avoid confusion which could jeopardize the safety of patients, trademarks should neither be derived from INNs nor contain stems used in INNs.

Validity of Registration

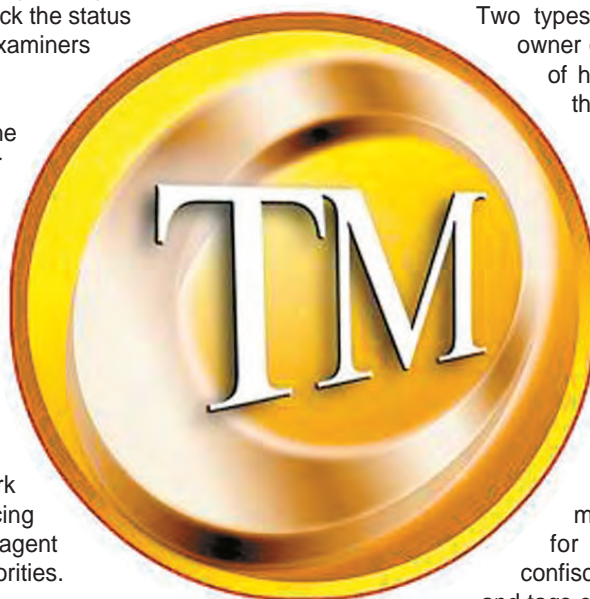
Trade Mark Registration is valid for 10 years, renewable every 10 years. An application for the renewal of the registration of a trade mark shall be made in form TM12 with filing of fees of Rs.5000 and may be made at any time not more than six months before the expiration of the registration of trade mark. A trademark removed from the Register for non payment of renewal fees can be cited against an application for registration upto one year.

Infringement of Trademark and Passing-Off

Two types of remedies are available to the owner of a trademark for unauthorized use of his or her mark or its imitation by a third party. These remedies are:

- an action for 'infringement' in case of a registered trademark; and
- an action for 'passing off' in the case of an unregistered trademark.

While former is a statutory remedy, the latter is a common law remedy. In an action involving infringement or passing off, a court may grant relief of injunction and/or monetary compensation for damages for loss of business and/or confiscation/destruction of infringing labels and tags etc.





Articles

Trade Marks and Company Secretary in Practice

Trade Mark Registration is valid for 10 years, renewable every 10 years. An application for the renewal of the registration of a trade mark shall be made in form TM12 with filing of fees of Rs.5000 and may be made at any time not more than six months before the expiration of the registration of trade mark. A trademark removed from the Register for non payment of renewal fees can be cited against an application for registration upto one year.



No one can use the trademark which is deceptively similar to the trademark of other company. As in the case of *Glaxo Smith Kline Pharmaceuticals Ltd. v. Unitech Pharmaceuticals Pvt. Ltd.* the plaintiff claimed that defendants are selling products under the trademark FEXIM that is deceptively similar to the plaintiff's mark PHEXIN, which is used for pharmaceutical preparations. The defendants are selling anti-biotic tablets with the trademark 'FEXIM' with the packing material deceptively similar to that of the plaintiff, whereby intending not only to infringe the trademark but also to pass off the goods as that of the plaintiff as the two marks are also phonetically similar. The Court restrained the defendant from using the trademark 'FEXIM' or any trademark deceptively similar to the trademark of the plaintiff 'PHEXIN', any label/packaging material deceptively similar and containing the same pattern as that of the plaintiff.

Time Taken for Registration of Trade Marks

Normally it will take about 12 to 15 months to get the Trade Mark Registration. However by making an application in Form TM-63 with filing fees of Rs.12,500 one can expedite the Trade Mark registration.



Assignment, Transmission and Licensing of Trade Marks in India

"Assignment" means an assignment in writing by an act of the parties concerned. While in case of licensing, the right in the trademark continues to vest with the proprietor, the assignment of the trademark leads to a change in the ownership of the mark. A registered trademark is assignable with or without the goodwill in respect of all or only some of the goods/services for which the mark is registered. India is a member to TRIPS and Article 21 of the TRIPS dealing with Licensing and Assignment mandates that "... the owner of a registered trademark shall have the right to assign the trademark with or without the transfer of the business to which the trademark belongs." Section 39 of the (Indian) Trade Marks Act, 1999 allows for the assignment of an unregistered trademark with or without the goodwill of the business concerned.

Role of Practising Company Secretary in Trade Marks Practice

A Practising Company Secretary can register as Trade Mark agent and practice in Trade Mark related matters. He can appear before the Trade Mark authorities when hearing is fixed and represent on behalf of his clients. He can make Trade Mark search and advise his clients on Trade Mark registration and all matters relating to trade marks.

The trend of trademark accepted and registered by the government has been on rise. In view of this, a Practising Company Secretary (PCS) can additionally practice as Trade Mark Agent and due to versatile knowledge and administrative skill of PCS, he would be successful in Trade Marks practice. ■



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Protecting your Innovations under Patent Laws

Inventions and innovations are ongoing processes in every economies. An important aspect of such inventions and innovations is the protection granted to the inventor for a specified period for exclusive right to use the same. The scope of the protection under the patent laws is examined in this article.

The focus of this article is on protecting the innovations by the patent laws and most specifically under Patent Act in India. The article explains relevant statutory provisions and tries to clarify with an overview on the patent laws.

Prologue

Patent is "the exclusive right to use or exercise an invention granted to a person for a limited period in consideration of the disclosure of the invention".

A patent is an official recognition by the Government to an inventor, which confers the inventor the exclusive right of control and possession of a particular invention for a period of time. The period varies in each country. Patents are likely to convert knowledge into wealth and will play a major part in the future wars on the economic front. In India, the Indian Patents Act, 1970 regulates the law relating to the patents. Obtaining a patent does not necessarily guarantee that the inventor will receive a return on his discovery. Others may "infringe" on his patent, that is, use the idea without paying him for it in which

case the inventor will have to engage in costly litigation. Suits for patent infringement are common, even among supposedly respectable companies: in recent years, Apple Computer sued Microsoft and Polaroid sued Kodak. Patent is granted by a State and hence has territorial applicability. That is, it is valid only in the country, which grants the patent. There is no mechanism to obtain a global patent and you have to apply separately in all the countries where you want the invention to be protected. However, the Patent Cooperation Treaty (PCT) of the World Intellectual Property Organisation (WIPO) seeks to





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Protecting your Innovations under Patent Laws

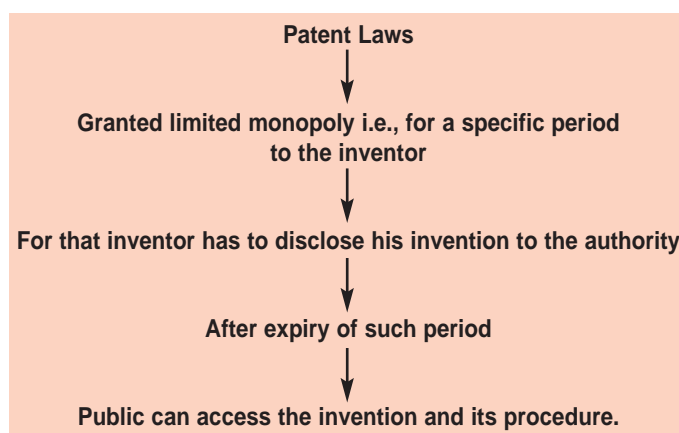


facilitate grant of patents in the participating countries. There were 123 countries, party to the PCT as on October 15, 2003. India joined the PCT on December 7, 1998. Under the PCT, one international application for patent on an invention can be filed in any country party to the PCT, designating other PCT countries where the patent is sought. The effect of it is that the patent in a designated state, when granted, will have the same priority date as for the first international application. However, in each designated country, a separate application for patent is to be filed as per the requirements of that country. Each country has to examine the application independently for granting a patent.

Purpose of granting patent right

Public interest demands that development must be made open and not kept in secret. Patents ensure property rights (Legal title) for the invention for which patent have been granted, which may be extremely valuable to an individual or a company.

Patent law is an encouragement for the inventors as they may put to use the invention and make some profits which may serve as fruits of their labour. Patent laws tend to encourage and maintain the continuous flow of inventions, by acting as an incentive to invent.



Iyenger Committee Report

(Important points to be noted)

A well debated, development oriented and patriotically processed statute of 1970, with a progressive perspective and successful sequel, passed after a thorough study (based on the Justice Rajagopala Ayyangar Committee report) proved a tremendous national triumph for the consumer and the manufacturer alike... [It proved to be the] finest and most just parliamentary achievement...

-Justice V. R Krishna Iyer



- Justice Rajagopala Ayyangar was appointed in April 1957 as one man Committee to advise on revision of law relating to Patents and Designs
- Submitted final report in September 1959
- Foreigners held 80-90 % of the patents in India
- They acquired patents not for manufacturing but for protecting their imports
- India was deprived of goods at cheaper prices

Criterion for patentability

Patent can be obtained for an invention which is new and useful. The invention must relate to a machine, article or a substance produced by manufacture or the process of manufacture of an article. Patents may be obtained for an improvement of an article or process of manufacture of such improvements. In areas such as medicines, drugs, foods and certain chemical products no patent is available on the ultimate product but the process of manufacturers patentable.

Patentable invention is defined as

*"a **new** product or process involving an **inventive step** and **capable of industrial application**."*

Section 2(1)(j) of the Patent Act, 1970 provides that unless the context otherwise requires, - "invention" means any new and useful-

- art, process, method or manner of manufacture;
- machine, apparatus or other article;
- substance produced by manufacture, and includes any new and useful improvement of any of them, and an alleged invention.

INVENTIONS NOT PATENTABLE

What are not inventions (Section 3)

The following are not inventions within the meaning of this Act, -

- an invention which is frivolous or which claims anything obvious contrary to well established natural laws;
- an invention the primary or intended use of which would be contrary to law or morality or injurious to public health;
- the mere discovery of a scientific principle or the formulation of an abstract theory;
- the mere discovery of any new property of new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant;
- a substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance;
- the mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way;
- a method or process of testing applicable during the process of manufacture for rendering the machine,

A patent is an official recognition by the Government to an inventor, which confers the inventor the exclusive right of control and possession of a particular invention for a period of time. The period varies in each country. Patents are likely to convert knowledge into wealth and will play a major part in the future wars on the economic front.

apparatus or other equipment more efficient or for the improvement or restoration of the existing machine, apparatus or other equipment or for the improvement or control of manufacture;

- a method of agriculture or horticulture;
- any process for the medicinal, surgical, curative, prophylactic or other treatment of human beings or any process for a similar treatment of animals or plants to render them free of disease or to increase their economic value or that of their products.

Inventions relating to atomic energy not patentable (Section 4)

No patent shall be granted in respect of an invention relating to atomic energy falling within sub-section (1) of Section 20 of the Atomic Energy Act, 1962. (33 of 1962)

Inventions where only methods or processes of manufacture patentable (Section 5)

(1) In the case of inventions-

- claiming substances intended for use, or capable of being used, as food or as medicine or drug, or
- relating to substances prepared or produced by chemical processes (including alloys, optical glass, semi-conductors and inter-metallic compounds),

no patent shall be granted in respect of claims for the substances themselves, but claims for the methods or processes of manufacture shall be patentable.

[(2) Notwithstanding anything contained in sub-section (1), a claim for patent of an invention for a substance itself intended for use, or capable of being used, as medicine or drug, except the medicine or drug specified under sub-clause (v) of clause (1) of sub-section (1) of section 2, may be made and shall be dealt, without prejudice to the other provisions of this Act, in the manner provided in Chapter IVA.]



Articles

Protecting your Innovations under Patent Laws

There is no mechanism to obtain a global patent and one has to apply separately in all the countries where he wants the invention to be protected. However, the Patent Cooperation Treaty(PCT) of the World Intellectual Property Organisation (WIPO) seeks to facilitate grant of patents in the participating countries.

Territorial Jurisdiction of Patents

An applicant or first mentioned applicant in case of joint applicants can file application for patent at the appropriate Patent Office under whose jurisdiction he normally resides or has his domicile or has a place of business or the place from where the invention actually originated. For the applicant, who is non-resident or has no domicile or has no place of business in India, the address for service in India or place of business of his patent agent determines the appropriate patent office where applications for patent can be filed.

Territorial Jurisdiction of Appropriate Office for the Applicants

Office	Territorial Jurisdiction
Patent Office Branch, Mumbai	The States of Maharashtra, Gujarat, Madhya Pradesh, Goa and Chhattisgarh and the Union Territories of Daman and Diu & Dadra and Nagar Haveli
Patent Office Branch, Chennai	The States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territories of Pondicherry and Lakshadweep.
Patent Office Branch, New Delhi	The States of Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttaranchal, Delhi and the Union Territory of Chandigarh.
Patent Office Kolkata	The rest of India.

Types of patents granted under the Patent Act 1970

There are several steps involving the application for a patent, examination of the application for a patent, examination of the application and on satisfaction grant of the patent, which is called the sealing of the patent. There are three types of patents granted under the Act-differing in terms of procedure, or the nature of the rights granted there under. They are: -

- **An ordinary patent:** The first application for patent filed in

the Patent Office without claiming priority from any application or without any reference to any other application under process in the Patent office is called an ordinary application.

- **A patent of addition for improvement or modification:** Patent of addition is an application made for a patent in respect of any improvement or modification of an invention described or disclosed in the complete specification already applied for or has a patent.

In order to be patentable an improvement, should be something more than a mere workshop improvement and must independently satisfy the test of invention. The major benefit is the exemption of renewal fee so long as the main patent is renewed. A patent of addition lapses with the cessation of the main patent.

- A patent granted in respect of a convention application: When an applicant files a patent application, claiming a priority date based on the same or substantially similar application filed in one or more of the convention countries, it is called a convention application. To get a convention status, an applicant should file the application before any of the patent offices within 12 months from the date of first application in the convention country.

Notification as to convention countries (Section 133)

- (1) With a view to the fulfillment of a treaty, convention or arrangement with any country outside India which affords to applicants for patents in India or to citizens of India similar privileges as are granted to its own citizens in respect of the grant of patents and the protection of patent rights, the Central Government may, by notification in the Official Gazette, declare such country to be a convention country for the purposes of this Act.
- (2) A declaration under sub-section (1) may be made for the purposes either of all or of some of the provisions of this Act, and a country in the case of which a declaration made for the purposes of some of the provisions of this Act is in force shall be deemed to be a convention country for the purposes of those provisions only.

Opposition

It may be noted that it would be beyond the powers of the patent office to make a thorough search for prior publication or use. Interested parties are given the right to challenge the grant at any time. A period of four months from the date of advertisement is given to any person interested to give notice of opposition to the controller to the grant of patent. Opposition is to be made in the prescribed Form 14 under the Act.

Passing of the Patent rights:

Passing of a patent right and the related procedure is concerned with

- (1) Granting of licence,



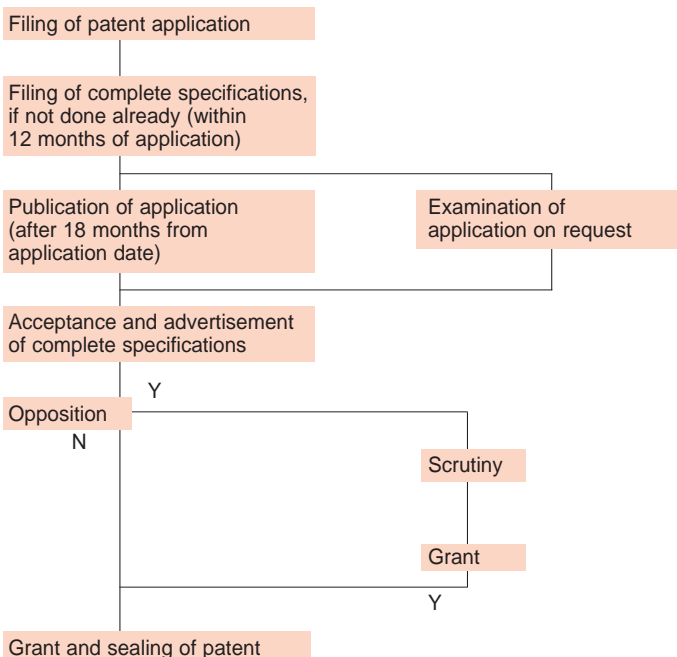
- (2) Assignment and
- (3) Transmission.

International Treaties:

India is a member-state of World Intellectual Property Organisation (WIPO), an International Organisation, responsible for the promotion of the protection of intellectual property throughout the world. India is a member of the following International Organisations and Treaties in respect of Patents:

- a) World Trade Organisation (WTO) with effect from January 1, 1995.
- b) Convention establishing World Intellectual Property Organisation (WIPO)
- c) Paris Convention for the Protection of Industrial Property with effect from December 7, 1998.
- d) Patent Co-operation Treaty (PCT) with effect from December 7, 1998.
- e) Budapest Treaty with effect from December 17, 2001.

Process of obtaining patent in the form of a Flow Chart



Source: <http://webserver.ignou.ac.in>

An interesting case on Patent laws:

Patenting prime numbers

A troubling case has been identified by the British Parliamentary Office of Science and Technology.

It is a patent on prime numbers: "a patent was issued by the US Patent and Trademark Office (PTO) for a mathematical method



(the Partial Modular Reduction Method) which is of use in cryptography and security systems. The claims included the use of two prime numbers (comprising 150 and 320 digits) which have a property that speeds up decryption. Indeed, the claim in the patent extends to using any prime number that allows the short cut to be made. The US PTO agreed that the two prime numbers in the claim represent novel discoveries that have some utility, and can, therefore, be patented under US patent law".

Source: *Parliamentary Office of Science and Technology* (1996), p. 33

Conclusion

The entire patent system and the patent law in India are governed by the superintendence of Controller General of designs, patents, trademark patent and by geographical indications. This Office of Controller General functions under Department of Industrial Policy and Promotion. There are four patent offices in India, Head office is located in Kolkata and other offices are located in Delhi, Chennai and Mumbai. The examiners of each patent office have to release their work according to the direction of controllers. Patent law is one of the fastest growing fields of law, which deals with issues surrounding the protection of ideas. By protecting the rights of the inventor, the government can be sure that people will continue to think of unique and new ideas to share with the world. The increase in the number of patent applications being received by patent offices all over the world is an indication of the universal recognition of the value of patent system. ■



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Legal Framework on Electronic Delivery of Services

On 21st December 2011, The Government of India Introduced in Lok Sabha, 'The Electronic Delivery Of Services Bill (EDS) 2011', which mandates providing all public services compulsorily through electronic means from a specified date. The Major Provisions of the Bill have been explained in this article.

INTRODUCTION

In order to promote e-Governance in the country, the second Administrative Reforms Commission, in its Eleventh Report submitted in 2008, have recommended a clear road map to be outlined by Government of India for transforming the Citizen-Government interaction at all levels to the e-Governance mode by 2020 through a legal framework. To give effect to this recommendation the Government of India has introduced in Lok Sabha on 21st December 2011, 'The Electronic Delivery of Services Bill (EDS) 2011', which mandates providing all public services compulsorily through electronic means from a specified date. The intention behind this Bill is to provide for electronic delivery of public services to all persons and thereby ensure transparency, accountability, and control corruption.

Electronic Delivery of Services

Electronic delivery of services means the delivery of public services or other services through electronic mode including, the receipt of forms and applications, issue or grant of any license, permit, certificate, sanction or approval and the receipt or payment of money. Clause 3 of the Bill seeks to provide for the delivery of all 'public services' through electronic mode by





The Government of India has introduced in Lok Sabha on 21st December 2011, 'The Electronic Delivery of Services Bill (EDS) 2011', which mandates providing all public services compulsorily through electronic means from a specified date. The intention behind this Bill is to provide for electronic delivery of public services to all persons and thereby ensure transparency, accountability, and control corruption.

the Central Government, the State Government and public authorities within five years of the commencement of the proposed legislation, except certain services

- (a) which cannot be delivered electronically,
- (b) which can be delivered electronically but the Central Government or the State Government or public authority, as the case may be, notifies not to deliver electronically for reasons to be specified in such notification.

The period of five years may be extended for a further period not exceeding three years by the Central Government or the State Government or public authority, in consultation with the Central Commission or the State Commission, for reasons to be notified. After coming into force of this Act, the Head of every public authority or Department of the Central Government/State Government shall publish within one hundred and eighty days, the list of all public services to be delivered by it through electronic mode and the date by which each such service shall be made available through electronic mode.

Assisted Access to Electronic Services

The Bill has also provision for providing assistance to access electronic services for specified category of persons. The government may make rules regarding manner in which assisted access to electronic services shall be provided to specified categories of users.

Electronic Service Delivery Commission

The Central Government and State Governments shall establish Electronic Service Delivery Commission for the administration of the proposed legislation. The Central commission will consist of Central Chief Commissioner and Central Commissioners who shall be appointed by the President of India. The State Commission shall consist of State Chief Commissioner and such number of State Commissioners.

Every Central Commissioner/State Commissioner shall hold office for a term of five years from the date on which he enters upon his office or till he attains the age of sixty-five years, whichever is earlier, and not be eligible for reappointment as such Central /State Commissioner.

The Central Chief Commissioner or Central Commissioner/the State Chief Commissioner or State Commissioner shall not be removed from his office except by an order by the Central /State Government on the ground of proved misbehavior or incapacity after an inquiry made by a Judge of the Supreme Court/High court respectively on specified grounds.

The functions of the Central Commission or the State Commission which *inter alia* include monitoring the publication of services to be delivered through electronic mode and adherence to the time schedule, manner of delivery and quality of service notified for delivery of public services by the Central Government or the State Government as the case may be, monitoring the effectiveness Grievance Redressal Mechanisms, compliance with the applicable electronic governance standards and make recommendations in respect thereof etc.

Electronic Governance Standards

The Government of India may notify Electronic Governance Standards for ensuring inter-operability, integration, harmonization and security of electronic services. Each Department in the Government of India may, from time to time, notify, in such manner as may be prescribed, electronic governance standards, being not inconsistent with electronic governance standards notified by the Central Government. The State Government may also prescribe such standards which had not been notified by the Central Government and the standards so notified by the State Government shall remain in force till such standards are notified by the Central Government.

Grievance Redressal Mechanism

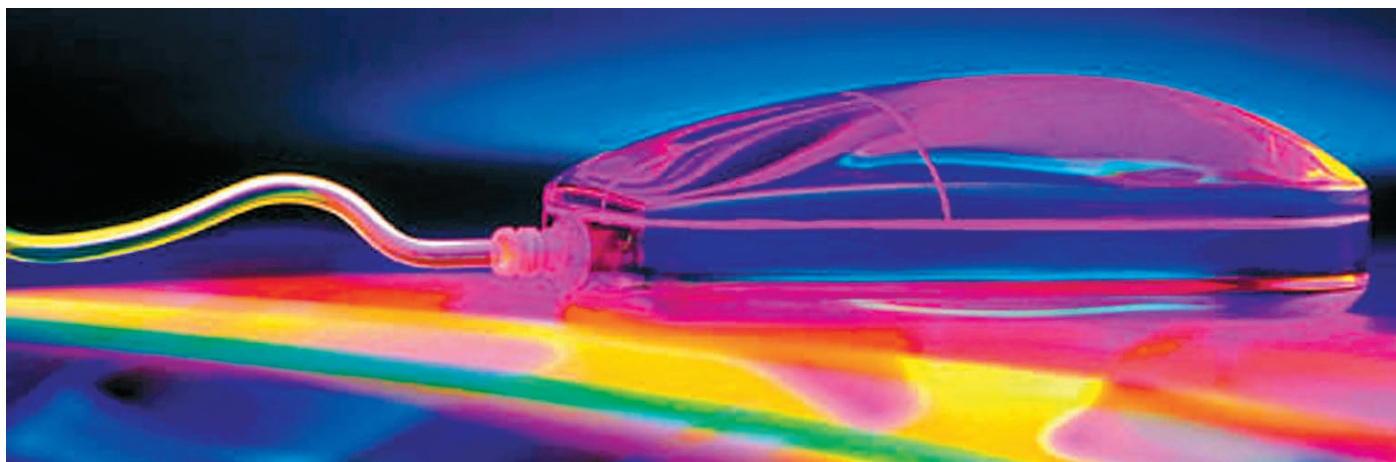
The Head of the Department of the Central Government/State Government and every public authority shall notify a Grievance Redressal Mechanism for the redressal of grievances under this Act, within such time and in such manner as may be prescribed. Any aggrieved person may file a complaint to such authority as may be notified under the Grievance Redressal Mechanism for (a) non-availability of public services in an electronic mode or (b) deficiency in delivery of the electronic service.

Any person aggrieved by the order of the Grievance Redressal



Articles

Legal Framework on Electronic Delivery of Services



The Government of India may notify Electronic Governance Standards for ensuring inter-operability, integration, harmonization and security of electronic services. Each Department in the Government of India may, from time to time, notify, in such manner as may be prescribed, electronic governance standards, being not inconsistent with electronic governance standards notified by the Central Government. The State Government may also prescribe such standards which had not been notified by the Central Government and the standards so notified by the State Government shall remain in force till such standards are notified by the Central Government.

Mechanism may make a representation to the Central Commission or the State Commission, as the case may be. The commission shall dispose of the representation in accordance with such procedure as may be prescribed. Any person aggrieved against an order of the Central Commission may file an appeal to the High Court of Delhi and any person aggrieved against an order of the State Commission may file an appeal to the High Court of the State where such State Commission is located.

Penalty

The Bill empowers the Central Commission or the State

Commission to impose penalty on the Head of every public authority or Department of the Central Government/ State Government or any officer under it for contravention of any provisions of the proposed legislation which may extend up to five thousand rupees. In case of willful and persistent default the penalty may extend up to twenty thousand rupees.

Act to have Overriding effect

Notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Bill, the provisions of this Bill shall have overriding effect.

Power to Make Rules

The Bill empowers the Central Government/ State government to make rules for the purpose of carrying out the provisions of the proposed legislation on various matters. These matters *inter alia*, relate to the manner and quality of delivery of services, the manner in which assisted access to electronic services shall be provided to specified categories of users, the framing of electronic governance standards for ensuring interoperability, integration, harmonization and security, the manner of notifying the Grievance Redressal Mechanism, the manner of filing the complaint, etc.

Conclusion

In short it is an invaluable move from the government side to make all government services to electronic mode. It would check corruption by reducing discretion on the part of government employees and give an opportunity to citizens from every nook and corner of the Country to get accessed all Governmental Services in time without much effort. However the government should take proper steps to ensure infrastructure for online services is available to all citizens of India.

ATTENTION LICENTIATES

Payment Of Annual Licentiate Subscription For The Year 2012-13

The Annual Licentiate Subscription of Rs.1,000/- for the year 2012-13 became due for payment w.e.f. 1st April, 2012. The last date for payment of the same was 30th June 2012 which has been extended upto 31st August, 2012.

The Subscription can be remitted by way of cheque payable at New Delhi or at par or Demand Draft payable at New Delhi favouring '**The Institute of Company Secretaries of India**' and sent to the Dte. of Legal & Membership at ICSI House, 22, Institutional Area, Lodhi Road, New Delhi 110 003.

For queries, if any, write at email ids licentiate@icsi.edu, member@icsi.edu or contact Mr. Rajeshwar Singh, Senior Assistant, Dte. of Legal & Membership on Telephone No.011-45341063 / Mobile No.9868128682.



Corporate Laws



LW 70.08.2012

INDIA FOCUS CARDINAL FUND v. SEBI [SAT]

Appeal No.82 of 2012

P. K. Malhotra & S.S.N. Moorthy, Members

[Decided on 27/06/2012]

Securities and Exchange Board of India Act, 1992 read with Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 and Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 - Board restrained appellant to sell certain securities which were under investigation - Investigation could not be completed in spite of getting extensions of time - Certain shares of the appellant were not subject to investigation - whether restraint applies to these shares - Held, No. whether the proceeds of these shares can be repatriated out of India - Held, Yes.

Brief facts

SEBI passed an *ex parte* injunction order dated 27.09.2011 whereby some directions have been issued, among others, to the appellant restraining it from dealing in securities or instruments with Indian securities as the underlying in any manner whatsoever until further orders. The two Depositories have also been directed to freeze the beneficial owner accounts of several entities including the appellant. The *ex parte* order has been ordered to be treated as a show cause notice. The appellant challenged this order before the Tribunal by way of an appeal. The Tribunal disposed of the appeal with a direction to the Board to pass an order after affording an opportunity of hearing to the appellant before the end of this year. Having regard to the nature of the disputes raised in this appeal and taking note of the fact that the *ad interim* order is adversely affecting the business of the appellant, we further direct the Board to conclude the investigations before the end of February, 2012. In the meanwhile, the appellant is allowed to sell all the securities held by it as enlisted in Exhibits 'G' and 'J' to the appeal and the sale proceeds therefrom shall be deposited in a fixed deposit with ICICI Bank earning interest. The appellant shall not be allowed to withdraw monies from that account including interest without the prior permission of the Board. In case the appellant wants to utilize any or whole of the sale proceeds, it shall seek the permission of the Board in this regard which shall be considered expeditiously.

Now the present appeal has been filed challenging the order dated December 30, 2011 passed by the Securities and Exchange Board of India (for short the Board) under section 11 and 11B of the Securities and Exchange Board of India Act, 1992 (the Act) confirming the direction issued against the appellant by way of *ad-interim ex-parte* order dated September 21, 2011. The impugned order has been passed after giving an opportunity of hearing to the appellant and after considering the submissions made by it. The grievance of the appellant is that the submissions made by the appellant were not considered by the Board while passing the impugned order.

Decision: Appeal allowed.

Reason

Since the matter is still at the investigation stage we are not inclined to examine the merits of the issues sought to be raised by the appellant even at this stage. The Board has collected some more material on the basis of which it has come to a *prima facie* conclusion that the appellant is connected with one Mr. Arun Panchariya and his company Pan Asia Advisors Limited, the alleged arrangers of the GDRs whose conduct is under investigation. The respondent Board was granted time to complete the investigation by February, 2012 which was further extended till May 31, 2012. Miscellaneous Application no.78 of 2012 in Appeal no.193 of 2011 has been filed by the Board seeking more time to complete the investigation. For the reasons



stated in the application the Board has requested for time up to September, 2012.

Learned counsel for the appellant prays that in view of the fact that the Tribunal is not inclined to examine the matter on merits, its prayer for interim relief as in paragraph 8(b) and (c) of the appeal memo may be given due consideration for the reasons that the Board has sought extension of time for investigation on two occasions. The appellant has not been able to dispose of the shares in terms of the relief granted in the order dated November 21, 2011 because of certain practical difficulties. It is submitted that none of the scrips mentioned in Exhibit J to the appeal memo are subject matter of investigation by the Board. The prayer was opposed by the learned counsel for the Board and an affidavit has also been filed on behalf of the Board opposing this request.

We have perused the affidavit filed by the Board. The Board has not brought any material on the record to show that any of the scrips mentioned in Exhibit J of the appeal is subject matter of investigation by the Board. Keeping in view the fact that the Board has sought extension of time twice for completing the investigation and no material has been brought on record to show that any of the scrips mentioned in Exhibit J is subject matter of present investigation by the Board, we allow the appellant to sell the securities held by it, as enlisted in Exhibit J in the memorandum of appeal. The appellant is permitted to repatriate the sale proceeds of the sale enlisted in Exhibit J in accordance with law. The Board should be kept informed about the sale of the scrips and about the repatriation of the sale proceeds.

LW 71.08.2012

ANIL HARISH v. SECURITIES AND EXCHANGE BOARD OF INDIA [SAT]

Appeal No. 217 of 2011 and 218 of 2011

P. K. Malhotra & S.S.N. Moorthy, Members

[Decided on 22/06/2012]

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - Regulation 3 - Infrastructure development company - disclosure of information to stock exchange as to projects valued more than Rs.100 crores - whether this dissemination of information is price sensitive information - Held, No.

Brief facts

The two appeals are connected appeals. The Board had conducted investigations into the alleged irregularities in the affairs, trading and dealings in the shares of the company based

on certain inputs received from the National Stock Exchange of India Ltd. (NSE) regarding price movement in the shares of the company during the period January 1, 2009 to December 31, 2009. The shares of the company were listed on the NSE and the Bombay Stock Exchange Ltd. (BSE). The investigation *prima facie* revealed that there was delay by the company in disseminating price sensitive information to the stock exchanges regarding its bagging of certain orders and the promoters and the company/related entities had benefitted by purchasing shares of the company prior to dissemination of price sensitive information to public. A show cause notice dated May 18, 2011 was issued to Mr. Anil Harish alleging that he had traded in the shares of the company on August 21, 2009 and August 25, 2009, that is, just prior to the price sensitive corporate announcement made by the company on August 28, 2009 towards its getting projects worth Rs.172 crores. It was further alleged that from the documents submitted by the company it is revealed that the Government of Arunachal Pradesh, vide its letter dated August 22, 2009, instructed the company to proceed with the work awarded to the company vide its earlier letter dated July 31, 2009. It was also observed by the Board that in the meeting held on July 31, 2009, chaired by the appellant, the board of directors had discussed this matter and therefore the appellant was privy to the information regarding award of contracts which the Board had considered to be price sensitive information. It is alleged that the appellant had traded in the scrip of the company on August 21, 2009 buying 9600 shares on BSE and 10400 shares on NSE and also on August 25, 2009 buying 9960 shares on BSE and 10040 shares on NSE. It was further observed that Mrs. Ratna Harish, Appellant in Appeal no. 218 of 2011, had also traded in the scrip of the company on August 25, 2009 i.e. just prior to the announcement in respect of getting the projects worth Rs.172 crores. The appellant filed a detailed reply dated July 4, 2011 denying the allegations. The appellants were also granted personal hearing when they filed a number of documents in support of their case. After considering the material available on record, the adjudicating officer passed the impugned orders holding the appellants guilty of violating Regulation 3 of the insider trading regulations and imposing penalties as stated above. Hence this appeal.

Decision: Appeals allowed.

Reason

In the show-cause notice issued to the appellant, it is alleged that getting projects worth Rs.172 crores, information with regard to which was disseminated to the stock exchanges, was price sensitive information. The above information was disseminated on the website of the NSE on August 25, 2009 and on the website of BSE on August 27, 2009. It is the case of the appellants that the company is in the business of



undertaking infrastructure projects. Since it is the business of the company to carry out these projects, the orders bagged by it are in the nature of stock in trade in the business and it is not an unusual occurrence. However, the company has laid down a policy in accordance with the general condition under regulation 36(7) of the Listing Agreement between the company and the stock exchanges that when the company reaches a level of orders of 100 crores, it informs the stock exchanges. This has been the practice of the company for a number of years and is not an exceptional occurrence. The company has followed a constant practice of informing the stock exchange as and when orders of about Rs.100 crores are received. Such intimations were furnished in the past also to BSE on 18/4/2007, 12/11/2007, 26/3/2008, 22/7/2008 and 11/11/2008. Intimation given to the stock exchanges on August 25, 2009 was one such intimation and was not a price sensitive information as alleged by the Board. It was further submitted that the AGM of the company was held on August 20, 2009 and at that time the shareholders were informed that the company had orders of about 1000 crores on hand which would normally be implemented in about 1 ½ to 2 years. We are surprised to note that the adjudicating officer while holding the appellant guilty has not dealt with this aspect of the matter at all. On the contrary, he has proceeded on the assumption that the information disseminated to the stock exchange on August 25, 2009 was a price sensitive information. Whether information is price sensitive and on what date it became price sensitive will depend on the facts and circumstances of each case. In case of *Gujarat NRE Mineral Resources Ltd. v. SEBI* (Appeal no. 207 of 2010 decided on 18.11.2011) where this Tribunal was dealing with the case of an investment company whose business was only to make investments in the securities of other companies, it was held that earning income by buying and selling securities held in investment is the normal activity of the investment company and every decision to buy it or to sell its investments would have no effect on the price of the securities of the company. By way of an illustration the Tribunal has also observed that if a manufacturing company were to sell its product or buy raw material, it would be a part of its normal business activity and would not be price sensitive. On the same analogy, when a company which is in the business of infrastructure projects, bags an order in the normal course of its business, although it may be required to give intimation to the stock exchanges under Regulation 36(7) of the Listing agreement, the information need not necessarily be price sensitive. It will depend on the facts and circumstances of each case. In the case in hand, by its letter dated 25th August, 2009, the company has given intimation to the stock exchange regarding bagging of new project worth Rs.172 crores. It needs to be noted that this intimation is not in respect of one project but in respect of five different projects out of which two road projects are from Arunachal Pradesh worth Rs.79 crores only.

We find that the intimation given to the stock exchange on August 25, 2010 was not in respect of one project but was in respect of five different projects out of which two road projects are from Arunachal Pradesh worth Rs.79 crores only. The other contracts were relating to construction of waste tank farm for Bhabha Atomic Research Centre, Trombay worth Rs.15 crores, bridge work at Thane worth Rs.46 crores and bridge work at Indore worth Rs.32 crores. When a company having contracts worth Rs.1000 crores pending with it for execution bags a few new projects through the tendering process such information need not necessarily be price sensitive. It needs to be appreciated that the projects relating to Arunachal Pradesh were awarded after a long drawn up tendering process keeping in view the transparency norms to be followed by the government departments/public sector undertakings and the persons participating in the tendering process knew about the developments which took place at each and every stage of the tendering process. Opening of tenders is done in the presence of bidders where the bidders came to know the lowest bidder who is likely to get the award. Usually, there is a long time gap between the date when the lowest bidder is declared and the contract is actually awarded to the lowest bidder. During all this period, the information with regard to the lowest bidder and processing of the award of contract in his favour is known to all the participants. Under such circumstances, award of the contract to an infrastructure company cannot be said to be a price sensitive information. The adjudicating officer has not dealt at all with the issue whether award of the contract was a price sensitive information. In fact, he has proceeded on the assumption that the announcement made by the company on August 25, 2009 is a price sensitive information. In para 21 of the impugned order he has recorded that "there is no dispute over the issue that the aforesaid announcement of the company was indeed a price sensitive information". This is incorrect in view of the fact that the appellant has throughout taken a stand that information with regard to award of contract by Arunachal Pradesh Government was not a price sensitive information. In view of our finding above, the order passed by the adjudicating officer cannot be sustained.

LW 72.08.2012

NIK-NISH RETAIL PVT LTD & ANR v. UNION BANK & ORS [CAL]

G.A. 1381 of 2012 in W.P. 4 of 2010 with G.A. 1380 of 2012 in W.P. 6 of 2010 with G.A. 1378 of 2012 in W.P. 3 of 2010.

Dipankar Datta, J.

[Decided on 25/06/2012]

Securitisation and Reconstruction of Financial Assets and



Enforcement of Security Interest Act, 2002 - Sections 13(2) and 13(4) - Borrowers failed to repay the loan and interest after the issuance of demand notice - Paltry sum deposited - Bank enforced its security interest - whether the action of the bank tenable - Held, Yes.

Brief facts

The first petitioner in W.P. 4 of 2010 (hereafter the borrower) obtained credit facilities sanctioned by the respondent no.1 bank (hereafter the bank). Properties of the respondent nos. 3 (M/s. Bansilal Credit Pvt. Ltd.) and 4 (M/s. Akhil Orchards Pvt. Ltd.), who are the petitioners in W.P. 6 of 2010 and W.P. 3 of 2010 respectively were mortgaged by deposit of title deeds in favour of the bank. The borrower having failed and neglected to repay its debt to the bank, its cash credit account was classified as non-performing asset and a demand notice dated September 9, 2009 in terms of Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereafter the Act) was issued by the authorized officer of the bank. The borrower was called upon to pay a total sum of Rs. 10,28,74,036.24 within 60 days, failing which the bank would have no other option but to enforce the securities created in its favour as indicated therein.

The borrower as well as Bansilal and Akhil neither cleared their liability nor made any representation countering the demand notice; instead, the borrower approached the bank with a request to operate a current account maintained by it by retaining 20% of the deposits and permitting withdrawal of the balance as per its requirement. The bank by its letter dated September 16, 2009 permitted operation of the current account, as requested by the borrower, and informed it that the retained amount would be transferred to the cash credit account. In pursuance of such arrangement, Rs.45, 000/-, Rs. 20,000/- and Rs. 10,000/- were transferred to the cash credit account. No effort worth the name was, however, made by the borrower to clear its liability in full in response to the demand notice and a staggering figure in excess of Rs. 9.5 core remained unpaid. The bank having waited for 60 days to expire from date of issuance of the demand notice informed the borrower as well as Bansilal and Akhil of its intention to enforce the securities by taking possession of the same for recovery of the secured debt. Petitioners challenged this enforcement of security interest under writ petitions. Issues of fact and law in these three writ petitions and connected applications being common, they were heard together and disposed of by this common judgment and order.

Decision: Petition dismissed.

Reason

The respective petitioners never disputed that a sum in excess of Rs. 10 crores was due and payable by the borrower on the date the demand notice under Section 13(2) of the Act was received by them. The account of the borrower in respect of

such debt was classified as nonperforming asset, leading to issuance of the demand notice. Reference has not been made to any statutory provision or guideline of the Reserve Bank to demonstrate that issuance of the demand notice was illegal because the jurisdictional fact for issuing it did not exist.

Now, the request of the borrower to operate the current account was accepted by the bank on terms that 20% of any amount credited in the current account would have to be retained and the same would be transferred to the cash credit account. This arrangement resulted in a paltry sum of Rs. 80,000/- being transferred to the cash credit account, leaving a sum in excess of Rs. 9.5 crore being due and payable to the bank. Question is whether the borrower by virtue of such retention and transfer was entitled to upgradation of the status of the cash credit account to non NPA category or not and further as to whether it constituted waiver of the bank to proceed with the demand notice or not.

I have no hesitation to hold that the borrower was not entitled to have the status of the account upgraded, and that there was no waiver on the part of the bank to proceed against the petitioners. The scheme of the Act envisages grant of 60 days' time to the defaulter for clearance of the liability or to raise objection. Even if the defaulting party falls short of paying Re. 1/- of the amount specified in the demand notice within the permitted period, its account would still be a non-performing asset and continue to be treated as such and the secured creditor is, in the circumstances, entitled to initiate further action in terms of provisions of the Act including taking measures to take possession of the secured assets after the period of 60 days has expired if no objection is received in the meantime or the objection to the demand notice has been overruled. Question of waiver does not and cannot arise simply because certain payments had been credited in the cash credit account. The period of 60 days is the time limited for clearing the liability and if the liability does not stand cleared, notwithstanding part payment the secured creditor is well within its right to exercise power conferred by Section 13(4) of the Act.

LW 73.08.2012

DROPTI DEVI & ANR v. UNION OF INDIA [SC]

Writ Petition Criminal No. 65 of 2010

R. M. Lodha & H. L. Gokhale JJ.

[Decided on 02/07/2012]

Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 - Section 3(1) - No penal provisions in COFEPOSA or FEMA - whether the power of



preventive detention is unconstitutional - Held, No.

Brief facts

The first petitioner Dropti Devi is the mother of second petitioner Raj Kumar Aggarwal. In respect of second petitioner an order of detention has been passed on September 23, 2009 which was challenged before the Delhi High Court. Upon their challenge had failed before the High court, the petitioners appealed to the Supreme Court of India. The central issue in this petition under Article 32 of the Constitution concerns constitutional validity of Section 3(1) of Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA) to the extent it empowers the competent authority to make an order of detention against any person with a view to preventing him from acting in any manner prejudicial to the conservation or augmentation of foreign exchange.

Decision : Petition dismissed.

Reason

The crux of the argument advanced is this: Articles 14, 19 and 21 of the Constitution do not contemplate preventive detention for an act where no punitive detention (arrest and prosecution) is even contemplated or provided under law. Such an act cannot be made the basis for a preventive detention and such an act could not be termed as prejudicial so as to invoke the power of preventive detention and, therefore, Section 3(1) of COFEPOSA to the extent noted above is unconstitutional.

It is true that provisions of FERA and FEMA differ in some respects, particularly in respect of penalties. It is also true that FEMA does not have provision for prosecution and punishment like Section 56 of FERA and its enforcement for default is through civil imprisonment. However, insofar as conservation and/or augmentation of foreign exchange are concerned, the restrictions in FEMA continue to be as rigorous as they were in FERA. FEMA continues with the regime of rigorous control of foreign exchange and dealing in the foreign exchange is permitted only through authorised person. While its aim is to promote the orderly development and maintenance of foreign exchange markets in India, the Government's control in matters of foreign exchange has not been diluted. The conservation and augmentation of foreign exchange continues to be as important as it was under FERA. The restrictions on the dealings in foreign exchange continue to be as rigorous in FEMA as they were in FERA and the control of the Government over foreign exchange continues to be as complete and full as it was in FERA.

The importance of foreign exchange in the development of a country needs no emphasis. FEMA regulates the foreign exchange. The conservation and augmentation of foreign exchange continues to be its important theme. Although contravention of its provisions is not regarded as a criminal offence, yet it is an illegal activity jeopardizing the very

economic fabric of the country. For violation of foreign exchange regulations, penalty can be levied and its non-compliance results in civil imprisonment of the defaulter. The whole intent and idea behind COFEPOSA is to prevent violation of foreign exchange regulations or smuggling activities which have serious and deleterious effect on the national economy. In today's world the physical and geographical invasion may be difficult but it is easy to imperil the security of a State by disturbing its economy. The smugglers and foreign exchange manipulators by flouting the regulations and restrictions imposed by FEMA by their misdeeds and misdemeanours directly affect the national economy and thereby endanger the security of the country. In this situation, the distinction between acts where punishments are provided and the acts where arrest and prosecution are not contemplated pales into insignificance. We must remember: the person who violates foreign exchange regulations or indulges in smuggling activities succeeds in frustrating the development and growth of the country. His acts and omissions seriously affect national economy. Therefore, the relevance of provision for preventative detention of the anti-social elements indulging in smuggling and violation and manipulation of foreign exchange in COFEPOSA continues even after repeal of FERA.

The menace of smuggling and foreign exchange violations has to be curbed. Notwithstanding the many disadvantages of preventive detention, particularly in a country like ours where right to personal liberty has been placed on a very high pedestal, the Constitution has adopted preventive detention to prevent the greater evil of elements imperilling the security, the safety of State and the welfare of the Nation.

On the touchstone of constitutional jurisprudence, as reflected by Article 22 read with Articles 14, 19 and 21, we do not think that the impugned provision is rendered unconstitutional. There is no constitutional mandate that preventive detention cannot exist for an act where such act is not a criminal offence and does not provide for punishment. An act may not be declared as an offence under law but still for such an act, which is an illegal activity, the law can provide for preventive detention if such act is prejudicial to the state security. After all, the essential concept of preventive detention is not to punish a person for what he has done but to prevent him from doing an illegal activity prejudicial to the security of the State. Strictly speaking, preventive detention is not regulation (many people call it that way), it is something much more serious as it takes away the liberty of a person but it is accepted as a necessary evil to prevent danger to the community. The law of preventative detention arms the State with precautionary action and must be seen as such. Of course, the safeguards that the Constitution and preventive detention laws provide must be strictly insisted upon whenever the Court is called upon to examine the legality and validity of an order of preventive detention.

In view of the above, we do not find any merit in challenge to the constitutional validity of impugned part of Section 3(1) of COFEPOSA.



General Laws

LW 74.08.2012

R. MOHAN V. A.K. VIJAYA KUMAR & A.K. VIJAYA KUMAR v. R. MOHAN [SC]

Criminal Appeal No.883 of 2012 [Arising out of Special Leave Petition (Crl.) No.2299 of 2012] and Criminal Appeal No.884 of 2012 [Arising Out of Special Leave Petition (Crl.) No.3327 of 2012]

Aftab Alam & Ranjana Prakash Desai, JJ.

[Decided on 03/07/2012]

Section 138 of the Negotiable Instruments Act, 1881 read with Sections 357(3), 421, 431 of the Code of Criminal Procedure - Court's power to award sentence in default to pay compensation - Accused sentenced to pay compensation and in default to undergo imprisonment by the Trial Court - High Court set aside the order - Whether correct - Held, No.

Brief facts

The case of the complainant (A.K. Vijay Kumar) is that on 10/9/2001, the accused (R. Mohan) and his wife jointly borrowed a sum of Rs. 5 lakhs from him and executed a promissory note in his favour. The accused also issued a cheque dated 14/5/2002 in favour of the complainant towards the principal amount. When the cheque was presented by the complainant with his banker for payment, it was dishonoured with bank's remark insufficient funds. The complainant, thereafter, issued a statutory notice under Section 133 of the said Act. The accused in his reply stated that he had borrowed only Rs.3, 00,000/-; that he had paid the said amount and that the cheque was issued only as a security and that it was not returned though demanded. The complainant then filed a Complaint under Section 200 of the Code. During the trial, the complainant examined himself. The accused did not examine any witness in support of his case. He denied the complainant's case. He relied on an entry from a diary maintained by him showing that as of April, 2002, only a sum of Rs.90,101/- was

due and payable by him to the complainant.

The accused was tried by the Metropolitan Magistrate Court for an offence under Section 138 of the Negotiable Instruments Act, 1881 (for short, the said Act) and was sentenced to undergo 3 months simple imprisonment and to pay compensation of Rs.5 lakhs to the complainant under Section 357(3) of the Code of Criminal Procedure (for short, the Code), in default, to undergo two months simple imprisonment. In appeal, the Additional Fast Track District & Sessions Judge confirmed the conviction and sentence. In revision, the High Court confirmed the order of conviction and sentence of three months simple imprisonment and to pay compensation of Rs.5 lakhs, however, the High Court was of opinion that no separate sentence could be awarded in default of payment of compensation when substantive sentence of imprisonment is independently awarded. The High Court, therefore, set aside the sentence in default of payment of compensation.

Being aggrieved by the said order of conviction and sentence, the accused has approached this court by way of Special Leave Petition (Crl.) No.2299 of 2012. The complainant has filed Special Leave Petition No.3327 of 2012 being aggrieved by the order of the High Court to the extent it sets aside the order of sentence in default of payment of compensation.

Decision: Appeal of the complainant allowed. Appeal of the accused dismissed.

Reason

So far as the merits of the case are concerned, we have no hesitation in recording that the High Court was perfectly justified in confirming the conviction and sentence. Ex-P1 is the promissory note in the sum of Rs.5 lakhs executed by the accused and his wife in favour of the complainant. The accused has not led any evidence to prove that the promissory note (Ex-P1) is a got up document. In his reply, he has nowhere taken such a stand. The cheque (Ex-P2) is also on record. According to the accused, he had borrowed only Rs.3 lakhs from the complainant and a blank cheque was offered as security to the complainant. It is suggested in the notice that the said cheque was misused by the complainant. This story has to be rejected in view of the promissory note (Ex-P1). The accused has relied on Xerox copy of some pages from a diary maintained by him (Ex-D1). There is an entry in Ex-D1 that as of April, 2002, an amount of Rs.90,101/- was payable by the accused to the complainant. The complainant has honestly admitted that the said acknowledgement is in his handwriting. It is contended by the accused that this disproves the complainant's case that an amount of Rs.5 lakhs was due from him to the complainant and in discharge of that debt cheque (Ex-P2) was given to him. It is not possible to accept this submission. We have carefully examined Ex-D1. Several chit transactions are noted in Ex-D1.



As stated by the complainant in his evidence, he has been carrying on several businesses since 1990. The accused had borrowed various amounts from him on different occasions and he had repaid those amounts except the amount involved in the transaction in question. The complainant has stated that he finances people and collects interest at 18% per annum. The reference to chit in Ex-D1 indicates that he was running a chit fund scheme. The entries in Ex-D1 appear to be entries in connection with the said chit fund scheme. The transaction reflected in Ex-D1 cannot be confused with the loan of Rs. 5 lakhs given by the complainant to the accused evidenced by promissory note (Ex-P1) and cheque (Ex-P2). The complainant's evidence is wholly satisfactory. By admitting that entry in Ex-D1 is in his handwriting, he comes out as a truthful witness. If he had dishonest motive he would have never admitted that the said entry was in his handwriting.

Moreover, if the case of the accused is that as of April, 2002, only an amount of Rs.90,101/- was due from him to the complainant, in his reply dated 24/5/2002, he should have said so. This statement is conspicuously absent in the said reply. It is pertinent to note that in order to satisfy it, the High Court, while hearing the revision, directed the complainant to produce his Income-tax Returns of the relevant period. The High Court wanted to see whether the instant loan transaction is reflected in the complainant's Income-tax Returns. The complainant produced the Income-tax Returns. The High Court found that in the Assessment Year 2002-2003 and also for the subsequent assessment years, there is an entry of a sum of Rs.5 lakhs as due from the accused to the complainant. The complainant could not have manufactured the Income-tax Returns. Thus, the promissory note (Ex-P1), the cheque (Ex-P2), reply dated 24/5/2002 sent by the accused to the complainant (Ex-P8) and the Income-tax Returns to which a reference is made by the High Court lead us to concur with the High Court that the conviction and sentence awarded to the accused is perfectly justified and no interference is called for with the same.

That takes us to the legal question whether the court can award a sentence in default of payment of compensation. Under Section 357 of the Code the Court can pass order to pay compensation. Sub-Section (1) of Section 357 of the Code empowers the court to award compensation to the victim of offence out of the sentence of fine imposed on the accused. Section 357(3) is relevant.

The idea behind directing the accused to pay compensation to the complainant is to give him immediate relief so as to alleviate his grievance. In terms of Section 357(3) compensation is awarded for the loss or injury suffered by the person due to the act of the accused for which he is sentenced. If merely an order, directing compensation, is passed, it would

be totally ineffective. It could be an order without any deterrence or apprehension of immediate adverse consequences in case of its non-observance. The whole purpose of giving relief to the complainant under Section 357(3) of the Code would be frustrated if he is driven to take recourse to Section 421 of the Code. Order under Section 357 (3) must have potentiality to secure its observance. Deterrence can only be infused into the order by providing for a default sentence. If Section 421 of the Code puts compensation ordered to be paid by the court on par with fine so far as mode of recovery is concerned, then there is no reason why the court cannot impose a sentence in default of payment of compensation as it can be done in case of default in payment of fine under Section 64 of the IPC. It is obvious that in view of this, in Vijayan, this court stated that the above mentioned provisions enabled the court to impose a sentence in default of payment of compensation and rejected the submission that the recourse can only be had to Section 421 of the Code for enforcing the order of compensation. Pertinently, it was made clear that observations made by this Court in Hari Singh are as important today as they were when they were made. The conclusion, therefore, is that the order to pay compensation may be enforced by awarding sentence in default.

In view of the above, we find no illegality in the order passed by the learned Magistrate and confirmed by the Sessions Court in awarding sentence in default of payment of compensation. The High Court was in error in setting aside the sentence imposed in default of payment of compensation.

LW 75.08.2012

TEJAS CONSTRUCTIONS & INFRASTRUCTURE PVT LTD v. MUNICIPAL COUNCIL, SENDHWA & ANR [SC]

Civil Appeal No.4195 of 2012 (Arising out of S.L.P. (C) No.16175 of 2011)

T.S. Thakur, J.

[Decided on 04/05/2012]

Tender- Execution of public work - Award of work - Challenge as to the eligibility of the successful bidder-whether tenable - Held, No.

Brief facts

The respondent No.1 Municipal Council invited tenders [NIT] from eligible contractors for the construction of an Integrated Water Supply Scheme at an estimated cost of nearly rupees twenty crores. In response to the above NIT several



applications were received by respondent No.1. Out of the six bidders only four were eventually found to be eligible. These four included the appellant and respondent No.2.

The work was awarded to respondent No.2. Aggrieved by the allotment of work in favour of respondent No.2, the appellant filed a writ petition before the High Court of Madhya Pradesh challenging the eligibility of respondent No.2 and eventually to the allotment of the project work to the said respondent on two grounds that respondent No.2 had not filed the requisite certified balance-sheets for five years immediately preceding the issue of tender notice and that respondent No.2 did not have the requisite experience of executing a single integrated water supply scheme of the required value.

The High Court has, by the judgment and order under challenge, examined both the grounds urged in support of the writ petition and clearly come to the conclusion that respondent No.2 was eligible to offer a bid in as much as it had substantially complied with the requirement of filing the certified copies of audited balance-sheets for the previous period of five years immediately preceding the issue of tender notice and that it had the requisite experience of executing a single integrated water supply project of the requisite value. Appellant appealed to the Supreme Court.

Decision: Appeal dismissed.

Reason

Let us examine the challenge to the award of the contract in favour of respondent No.2 primarily based on a two-fold contention. Firstly, it was argued that respondent No.2, successful bidder, had not satisfied the requirement of filing audited balance sheets for the five years preceding award of the contract. That the said respondent had filed certified copies of the audited balance sheets for the years 2006-07, 2007-08, 2008-09 and 2009-10, was not in dispute. What was disputed was that the balance sheet for the year 2010-11 had not been filed, instead a certificate from the Chartered Accountant concerned, relating to the period 1.4.2010 to 22.3.2011, had been produced which did not, according to the writ-petitioner before us, satisfy the requirement of the NIT. Rejecting that contention the High Court held that since the balance sheet for the year 2010-11 had not been audited the production of relevant record of the company was a substantial compliance with the stipulation contained in the NIT.

There is, in our opinion, no legal flaw in the above finding or the line of reasoning adopted by the High Court. It is true that the date of submission of tender was initially fixed upto 25th March, 2011 but the same was extended upto 7th April, 2011. That being so, 5 years immediately preceding the issue of the tender notice would have included the year 2010- 2011 also for which financial year, audit of the company's books, accounts and

documents had not been completed. Such being the case, respondent No.2 could not possibly comply with the requirement of the tender notice or produce certified copy of the audited balance-sheet for the said year. All that it could possibly do was to obtain a certificate based on the relevant books, registers, records accounts etc., of the company, which certificate was indeed produced by the said respondent. The High Court has rightly observed that the appellant had not disputed the correctness of the turnover certified by the Chartered Accountant for the year 2010-2011 nor was it disputed that the same satisfied the requirement of the tender notice. In that view, therefore, there was no question of respondent No.2 being ineligible or committing a deliberate default in producing the requisite documents to establish its eligibility to offer a bid. The first limb of the challenge to the finding of the High Court on the above aspect must, therefore, fail and is accordingly rejected.

That leaves us with the second ground on which the appellant questioned the eligibility of respondent No.2 to offer a bid, namely, the non-execution by respondent No.2 of a single integrated water supply scheme for the requisite value. The High Court has, while examining the question of eligibility of respondent No.2 by reference to the execution of the single integrated water supply scheme, recorded a finding that the nature of the work executed by respondent No.2 for Upleta satisfied the requirement of the tender notice. That finding, in our view, is in no way irrational or absurd. We say so because the certificate relied upon by respondent No.2 sufficiently demonstrates that respondent No.2 had designed, and executed an integrated water supply scheme for Upleta which included raw water transmission from intake wells and transmission of treated clear water from WTP including providing, supplying and laying of pipelines, construction of E.S.R.s, Sumps, Pump houses and providing erecting pumping machinery.

It is also noteworthy that in the matter of evaluation of the bids and determination of the eligibility of the bidders Municipal Council had the advantage of the aid & advice of an empanelled consultant, a technical hand, who could well appreciate the significance of the tender condition regarding the bidder executing the single integrated water supply scheme and fulfilling that condition of tender by reference to the work undertaken by them. We, therefore, see no reason to interfere with the view taken by the High Court of the allotment of work made in favour of respondent No.2.

LW 76.08.2012

**AL JAZEERA STEEL PRODUCTS COMPANY
SAOG v. MID INDIA POWER & STEEL LTD [SC]**



Arbitration Petition No.6 of 2009
Surinder Singh Nijjar, J.

[Decided on 08/05/2012]

Arbitration and Conciliation Act, 1996 - Sections 11(5) and (9) - International arbitration - appointment of arbitrator by court - Disputes relating to supply of substandard material - Respondent refused to concur with the appointment of sole arbitrator - Whether arbitrator to be appointed - Held, yes.

Brief facts

The applicant entered into a Sale Purchase Contract (hereinafter referred to as the 'Contract') with the respondent for supply of 2000 metric ton Prime Alloy Steel Billets of specific chemical composition and physical specifications more particularly described in Article 3 of the Contract. In accordance with the terms and conditions of the Contract, the applicant had opened a Letter of Credit which was encashed by the respondent. The applicant noticed that far from complying with the specifications mentioned in the Contract, the Billets supplied by the respondents were of a very poor quality. The Billets had cracks which were visible to naked eyes.

The applicant sent an e-mail dated 31st August, 2008, informed the respondent about the non-conformity and made it clear that the same were not acceptable. On the same day, i.e., 31st August, 2008, another e-mail was sent setting out in detail the defects in the Billets.

The respondent by its letter dated 1st September, 2008 stated that the complaint has been noted and they were equally and greatly concerned. On 10th September, 2008, there was a meeting between the representatives of the applicant and the respondent. It was decided that the joint inspection would be undertaken to have the sample analysed from independent recognized laboratories in Dubai. However, the joint inspection was not arranged. The applicant issued several reminders informing the respondent that the defective Billets stood rejected, and they were requested to remove the same. All efforts and settlements having failed, the applicant invoked the arbitration clause in terms of Article 10 of the Contract, through its notice dated 17th December, 2008.

No reply was received from the respondent. The applicant, therefore, nominated the Sole Arbitrator (Hon. Mr. Justice S.N. Variava, a former Judge of this Court). Since the respondent did not reply to the aforesaid letter, the applicant was left with no alternative but to move the present petition.

Decision: Application allowed.

Reason

I have considered the submission made by the learned counsel

for the parties. I am of the considered opinion that the applicant has clearly raised bonafide disputes arising out of or relative to the construction of the contract which contains the arbitration clause. Article 10 of the contract contemplates resolution of disputes between the applicant and respondent through arbitration, as per the procedure laid down under the Arbitration and Conciliation Act, 1996. A bare perusal of the aforesaid clause is sufficient to indicate that it covers all disputes and differences of any kind arising between the parties. The applicant has clearly raised a number of issues, which can be summarized as follows:-

- (a) Failure of the respondent to remove the defective Billets supplied by the respondent and lying at applicant's premises
- (b) Failure to remit the amount drawn by respondent against the Letter of Credit
- (c) Failure to pay interests and costs incurred by the applicant
- (d) Failure to pay warehousing charges @ USD 20 per Metric Ton per day on and from 1st October, 2009 till the actual removal of defective Billets from the premises of the applicant.

In such circumstances, it cannot be said that the applicant has failed to raise bonafide dispute which cannot be referred to arbitration. As noticed earlier, the applicant through its e-mail dated 31st August, 2008 had informed the respondent about defective material. In the second e-mail on the same date, the applicant had set out the details in the Billets and informed the respondent that it has stopped destuffing of containers. The respondent was called upon to take back the rejected goods urgently and arrange to refund the amount paid at the earliest. In response to the aforesaid e-mail, the respondent on 1st September, 2008 had indicated its concern and the inconvenience caused to the applicant were deeply regretted. The applicant was also assured that the problem would be sorted out to the entire satisfaction of the applicant. Thereafter, the respondents have proposed a joint inspection, which according to the applicant was never arranged. On the other hand, the respondent claims that the applicant had rebuffed all the efforts made by the respondents to resolve the issue. The applicant was intent on claiming the refund.

In my opinion, the aforesaid facts and circumstances are sufficient to show that the bonafide disputes have arisen between the parties, which are within the scope and ambit of the arbitration clause and need to be resolved through arbitration. Keeping in view the facts and circumstances narrated above, the application is allowed. All the disputes that have arisen between the parties are hereby referred to arbitration. I hereby appoint Hon. Mr. Justice S.N. Variava, Former Judge of this Court, as the Sole Arbitrator to adjudicate upon all the disputes and differences that have arisen between the parties, on such terms and conditions as the learned Sole Arbitrator deems fit and proper.



Industrial & Labour Laws

LW 77.08.2012

THE EXECUTIVE ENGINEER v. VITTHAL MAHIPATI KALE [BOM]

Writ Petition No.3957 of 2001

Anoop V. Mohta, J.

[Decided on 22/06/2012]

Industrial Dispute Act - Illegal termination-labour court granted reinstatement and back wages - employee not worked for some period - whether backwages to be paid for this period also - Held, No.

Brief facts

The Petitioner Executive Engineer, Irrigation Division, Solapur has challenged the impugned order passed by the Presiding Officer, 2nd Labour Court, Solapur in Reference I.D.A. No.77 of 1993, whereby the Petitioner is directed to reinstate the Respondent with continuity of service and back wages in full w.e.f. 28th July, 1992 till the date of his reinstatement.

Decision : Petition partly allowed.

Reason

Admittedly, the Respondent has rendered services for more than three years. The completion of more than 240 days in each year as required, also supports the case of the Respondent and also impugned order passed by the Labour Court. The Respondent is a handicapped and project affected person. There is nothing to substantiate accepting the averments that the Respondent had left the services on his own. The Respondent was working purely on temporary basis on daily wages and, therefore, there was no question of giving one month's notice or wages in lieu of the same as rightly held to be unsustainable. Even otherwise, taking over all view of the matter as well as evidence brought on record and in view of the admitted position from the record, I see there is no reason to interfere with the facts on the record that the Respondent has proved that his services were terminated

illegally. There is no perversity. The reasons so provided are based upon the documents and the material placed on record.

Admittedly, it is contended that the Respondent in any way is not entitled for the back wages, basically for the reasons that though his services were terminated in the year 1985, he approached the Court after more than seven years. The learned Labour Court, therefore, granted back wages in full w.e.f. 28th July, 1992 till the date of his reinstatement.

Admittedly, as recorded above, Petitioner is disabled and project affected person. In the complaint, though very averments are made; i.e. he is unable to earn and run the family and also no one else working in any government department and therefore, family were suffering because of the poor condition; and he has no source of income, yet these averments have never been challenged and/or remained unchallenged, are sufficient to defend the submission made by the learned Counsel appearing for the Petitioner that there was no evidence or material placed on record that he was without job and was not earning anything during this period. These averments as are not denied, the observation that the burden lies upon the Respondent to prove the same is not correct. I am, therefore, inclined to accept the averments made that he was not earning during this period, as he was out of job during this period. It is well settled and it is necessary to consider the facts and circumstances of each case before granting back wages; a case is made out to modify the order and direct the Petitioner to pay 50% back wages. I am inclined to reduce 50% also for the reasons that admittedly, the Respondent never rendered services during this period with the Petitioner. The reduction to 50% back wages in my opinion is proper and reasonable compensation. ■

SPECIAL ISSUES OF CHARTERED SECRETARY

It is proposed to bring out special issues of Chartered Secretary on the following topics during the remaining period of the year 2012:

1. **Arbitrability of disputes relating to Oppression and Mismanagement.** - September 2012 issue
2. **Attitudinal shift in the functioning of Corporates and Company Secretaries** - October 2012 issue and
3. **Corporate Restructuring and Insolvency** - December 2012 issue.

Members and others having expertise on the aforesaid subjects are welcome to contribute articles for consideration by the Editorial Advisory Board for publication in the said special issues.

The articles may kindly be forwarded to:

The Deputy Director (Publications), The ICSI, 22, Institutional Area, Lodi Road, New Delhi 110003.

E-Mail: ak.sil@icsi.edu

copy to ks.gopalakrishnan@icsi.edu.



From the Government

Corporate Laws



01 Companies (Central Government's General Rules and Forms (Fourth Amendment) Rules, 2012

Issued by the Ministry of Corporate Affairs vide G.S.R. 577(E) Dated 19.07.2012.]

In exercise of the powers conferred by sub-section (1) of section 642 read with section 610B of the Companies Act, 1956 (1 of 1956), the Central Government hereby makes the following rules further to amend the Companies (Central Government's) General Rules and Forms, 1956, namely: -

1. (1) These rules may be called the Companies (Central Government's) General Rules and Forms (Fourth Amendment) Rules, 2012.
- (2) These rules shall come into force with effect from the 22nd July, 2012.
2. In the Companies (Central Government's) General Rules and Forms, 1956, in Annexure 'A', -
 - (a) in Form 8, for serial number 8 and entries relating thereto, the following shall be substituted -

"8. Particulars of the charge holder (In case charge is modified in favour of ARC or assignee enter particulars of ARC or assignee)

Category
If others, specify

[Get list of chargeholders](#)

*Name of chargeholder

In case of others, specify
CIN, if applicable

[Pre-fill](#)

Name

*Address Line I

Line II

*City

*State

*ISO country code

Country

*Pin code

*e-mail ID

(b) in Form 10, for serial number 5 and entries relating thereto, the following shall be substituted -

"5. *Number of trustee(s) of debenture holders or charge holder(s)

Particulars of the trustee of debenture holders or charge holder (In case charge is modified in favour of ARC or assignee, enter particulars of ARC or assignee)

[Get list of chargeholders](#)

*Name of chargeholder

In case of others, specify

CIN, if applicable

[Pre-fill](#)

Name

*Address Line I

Line II

*City

*State

*ISO country code

Country

*Pin code

*e-mail ID

(c) in Form 17, in serial number 4 for item (a) and entries relating thereto, the following shall be substituted -

(a) Particulars of the charge holder or ARC or assignee

[Get list of chargeholders](#)

*Name of chargeholder

August
2012



CHARTERED SECRETARY

1012 (GN-165)



In case of Others, Pre-fill

CIN, if applicable

Name

Address

*e-mail ID

02 Appointed date for applicability of provisions of certain sections of the Companies (Second Amendment) Act, 2002

Issued by the Ministry of Corporate Affairs vide F.No. 1/1/2003-CL-V Dated 10.07.2012.]

In exercise of powers conferred by sub-section (2) of section 1 of the Companies (Second Amendment) Act, 2002 (11 of 2003), the Central Government hereby appoints the 12th day of August of 2012 as the date on which the provisions of sections 7, 8 (in relation to section 18 & 19 of the Companies Act, 1956), 20 and 25 (in relation to section 188 of the Companies Act, 1956) of the said Act shall come into force.

Renuka Kumar
Joint Secretary

03 Delegation of powers to RoCs

Issued by the Ministry of Corporate Affairs vide F.No. 1/1/2003-CL-V Dated 10.07.2012.]

1. In exercise of the power conferred by sub-section (1) of section 637 of the Companies Act 1956 (1 of 1956), and in supersession of the notification of the Government of India, in the then Department of Company Affairs, number G.S.R. 222(E), dated the 17th March, 2011, except as respects things done or omitted to be done before such supersession, the Central Government hereby delegates to the Registrar of Companies, the power and functions vested in it under the following sections of the said Act, subject to condition that the Central Government may revoke such delegation of powers or may itself exercise the powers and function under the said sections, if in its opinion such a course of action is necessary in the public interest, namely :-

- (a) section 21,
- (b) section 25,
- (c) proviso to sub section (1) of section 31,
- (d) sub section (1D) of section 108,

(e) section 572.

2. The powers and functions under sub-section (1D) of section 108 shall be exercised and performed either by the Registrar of Companies of the State in which the registered office of the Company is situated, or by the Registrar of Companies of the State in which the applicant ordinarily resides.

3. This notification shall come into force with effect from 12th August, 2012.

Renuka Kumar
Joint Secretary

04 Delegation of Powers to RDs

Issued by the Ministry of Corporate Affairs vide F.No. 1/1/2003-CL.V Dated 10.07.2012.]

1. In exercise of the power conferred by sub-section (1) of section 637 of the Companies Act, 1956 (1 of 1956), and in supersession of the notification of the Government of India, in the then Department of Company Affairs, number G.S.R. 223(E), dated the 18th March, 2011, except as respects things done or omitted to be done before such supersession, the Central Government hereby delegates to the Regional Directors at Mumbai, Kolkata, Chennai, Noida, Ahmedabad and Hyderabad, the power and functions vested in it under the following sections of the said Act, subject to condition that the Central Government may revoke such delegation of powers or may itself exercise the powers under the said sections, if in its opinion such a course of action is necessary in the public interest, namely :-

- (a) section 17, 18, 19
- (b) section 22,
- (c) sub-section (3),(4),(7) and clause (a) of sub-section (8) of section 224,
- (d) section 141,
- (e) section 188,
- (f) section 297(1) proviso,
- (g) section 394-A,
- (h) section 400,
- (i) second proviso to sub-section (5) of section 439 and sub section (6) of the said section.
- (j) clause (a) of sub section (1) of section 496,
- (k) clause (a) of sub section (1) of section 508,
- (l) sub-section (1) of section 551,
- (m) clause (b) of sub-section (7) of section 555 and the proviso to clause (a) of sub section (9) of the said section,
- (n) proviso to subsection (1) of section 610, and



- (o) section 627,
2. This notification shall come into force with effect from 12th August, 2012.

Renuka Kumar
Joint Secretary

05 The Limited Liability Partnership (Winding up and Dissolution) Rules, 2012*

Issued by the Ministry of Corporate Affairs vide F. No. 1/7/2012-CL-V dated 10.07.2012.]

06 Amendments in the notification number S.O. 891(E), dated the 31st March, 2009

Issued by the Ministry of Corporate Affairs vide F.No. 1/7/2012-CL-V Dated 10.07.2012.]

1. In exercise of the powers conferred by sub-section (3) of section 1 of the Limited Liability Partnership Act, 2008 (6 of 2009), the Central Government hereby makes the following amendments in, the notification number S.O. 891(E), dated the 31st March, 2009, namely: -
2. In the said notification,-
 - (a) after serial number 5 and the entries relating there to, the following serial number and entries shall be inserted, namely:-
"5A. Section 51";
 - (b) after serial number 7 and the entries relating there to, the following serial number and entries shall be inserted, namely:-
"7A Section 63, 64 and section 65".

Renuka Kumar
Joint Secretary

07 Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012

Issued by the Ministry of Corporate Affairs vide F.No. 1/1/2003-CL.V Dated 10.07.2012.]

In exercise of the powers conferred by clauses (a) and (b)

of sub-section (1) of section 642 of the Companies Act, 1956 (1 of 1956) read with sections 20 and 21 of the Companies Act, 1956, and all other powers enabling the Central Government to make rules, the Central Government hereby makes the following rules further to amend the Companies (Central Government's) General Rules and Forms, 1956, namely:-

1. (1) These rules may be called the Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012.
- (2) They shall come into force with effect from 12th August, 2012.
2. After rule 4BBA of the Companies (Central Government's) General Rules and Forms, 1956 (hereinafter referred to as the said rules), the following rule shall be inserted, namely:-

"4BBB Petition under section 17.-

- (1) The company shall, not less than one month before filing any petition 'in Form 1 as referred in Annexure 'E' alongwith Form 24AAA as referred 'in Annexure 'A' under sub-section (2) of section 17,-
 - (i) publish a general notice, at least once, in a daily newspaper published in English and in the principal language of the State in which the registered office of the company is situated, clearly indicating the substance of the petition and stating that any person whose interest is likely to be affected by the proposed alteration of the Memorandum of Association and may intimate to the Regional Director within twenty-one days of the date of publication of that notice, the nature of interest and grounds of opposition; and
 - (ii) serve, by certificate of posting, individual notice to the effect set out in clause (i) above on each debenture-holder and creditor of the company.
- (2) Where the petition seeks to shift the registered office of the company from one State to another, a notice together with copy of the petition shall also be served by the company, by registered post, on the Chief Secretary to the Government of the State in which the registered office of the company is situated, or, where the registered office of the company is situated in a Union territory, to the Administrator of the Union territory.
- (3) Any person intending to oppose the petition shall within twenty-one days from the date of service or publication of the notice, as the case may be, deliver, or cause to be delivered, or send by registered post, the objections supported by an affidavit, in original, to the Regional Director and shall also serve a copy of the objections on the company at its registered office.

* Not reproduced here for want of space. For the Rules logon to www.mca.gov.in and then go to the Notifications section.



- (4) If no response is received by the Regional Director within the time specified in sub-rule (3), all the person concerned shall be deemed to have consented to the alteration proposed in the petition:
Provided that the Regional Director, may, if he thinks fit, permit any person to file objections, even after the final hearing after giving notice to the company.
- (5) The company shall prove the dispatch, publication and service of notice by an affidavit and such affidavit shall be enclosed with the petition.
- (6) A petition under section 17 shall contain a list stating the name and addresses of the creditors and debenture holders and the amount due to each of them up to the latest practicable date preceding the date of filing of the petition which shall not precede the date of filing the petition by more than one month.
- (7) The Secretary of the company, if any, and not less than two directors of the company, one of whom shall be a managing director, where there is one, shall file an affidavit to the effect that they have made a full inquiry into the affairs of the company and, having done so, have formed the opinion that the list referred to in sub-rule (6) is correct, and the estimated values as given in the list of the debts or claims payable on a contingency or not ascertained are proper estimates of the values of such debts and claims included in the list and the same are borne out by the books and records of the company and that there are no other debts, or claims against, the company to their knowledge.
- (8) Duly authenticated copy of the list of creditors and debenture-holders showing their names, addresses and the amounts due to each of them shall be kept at the registered office of the company and any person desirous of inspecting the same may, at any time, during normal working hours of business, inspect and take extracts of the same on payment of fifty rupees to the company.
- (9) Where no objection has been received from any of the parties, the Regional Director may pass necessary orders with or without hearing".

3. After rule 6B of the said rules, the following rules shall be inserted, namely:-

"6C Petition under section 141.-

- (1) A petition to the Regional Director under section 141 shall be prepared in Form 1 as referred in Annexure 'E' alongwith Form 24AAA as referred in Annexure 'A' and presented by the petitioner or through authorized representative to the office of the Regional Director electronically.
- (2) The petitioner shall serve a copy of the petition, reference or application on the respondent or respondents, as the case may be, and produce evidence of such service.
- (3) Notwithstanding anything contained in sub-rule (1) and

(2), the Regional Director may permit more than one person to join together and file a single petition if he is satisfied, having regard to the cause of action and the nature of relief prayed for, that they have a common interest in the matter.

- (4) Every petition, shall be accompanied by an affidavit verifying the same and shall be drawn up in the first person and shall state the full name, age, occupation and complete residential address of the deponent and shall be signed by the deponent and sworn before the person specified in section 558 of the Act.
- (5) Where the deponent is not personally known to the person before whom the affidavit under sub-rule (4) is sworn, he shall be identified by a person who is known to the person before whom the affidavit is sworn.
- (6) Every affidavit under sub-rule (4) shall clearly and separately indicate the statements which are true to the-
 - (a) knowledge of the deponent; or
 - (b) information received by the deponent; or
 - (c) belief of the deponent; or
 - (d) information based on legal advice.
- (7) Where the statement referred to in sub-rule (6) is stated to be true to the information received by the deponent, the affidavit shall also include the name and complete residential address of the person from whom the information has been received by the deponent and whether the deponent believes that information to be true.

6D. Petition under section 188.-

- (1) A petition to the Regional Director under section 188 shall be prepared in Form 1 as referred in Annexure 'E' alongwith Form 24AAA as referred 'in Annexure 'A' and presented by the petitioner in person or through authorised representative to the office of the Regional Director electronically.
- (2) The petitioner shall serve a copy of the petition on the respondent or respondents, as the case may be, and produce evidence of such service.
- (3) Notwithstanding anything contained in sub-rules (1) and (2), the Regional Director may permit more than one person to join together and file a single petition if he is satisfied, having regard to the cause of action and the nature of relief prayed for, that they have a common interest in the matter.
- (4) Every petition, shall be accompanied by an affidavit verifying the same and shall be drawn up in the first person and shall state the full name, age, occupation and complete residential address of the deponent and shall be signed by the deponent and sworn before the person specified in section 558 of the Act.
- (5) Where the deponent is not personally known to the person before whom the affidavit under sub-rule (4) is sworn, he shall be identified by a person who is known to the person before whom the affidavit is sworn.



From the Government

- (6) Every affidavit under sub-rule (4) shall clearly and separately indicate the statements which are true to the -
 (a) knowledge of the deponent; or
 (b) information received by the deponent; or
 (c) belief of the deponent; or
 (d) information based on legal advice.

- (7) Where the statement referred to in sub-rule (6) is stated to be true to the information received by the deponent, the affidavit shall also include the name and complete residential address of the person from whom the information has been received by the deponent and whether the deponent believes that information to be true.

6E. Contents of petition.- Every petition shall set forth-

- the name of the company, with its status,
- date of incorporation,
- the address of its registered office,
- authorised capital, paid-up capital with division of different classes of shares and terms of issue, if any, in the case of preference shares,
- main objects in brief, for which the company was formed,
- present business activities of the company,
- grounds for such petition and the nature of relief(s) prayed for.

6F. Documents to accompany the petition.-

- A petition under section 17, section 141 or section 188 shall be accompanied by documents specified in Annexure E.
- Documents referred to in sub-rule (1) may be attested by the party or the authorised representative or the advocate.
- Where the petition is filed by the authorised representative, memorandum of appearance shall be appended to the petition as in Form 2 as referred in Annexure E."
- In Annexure 'A' to the said rules, after form 24AA, the following form shall be inserted, namely:-

FORM 24AAA

Form for filing petitions to Central Government

[Pursuant to sections 17, 18, 19, 141 and 188 of the Companies Act, 1956]

(Regional Director)

Form Language ☐ English ☐ हिन्दी

Note - All fields marked in* are to be mandatorily filled.

1. *Category of applicant

2(a) *Corporate identity number (CIN) or Foreign company registration number (FCRN) of company

(b) Global location number (GLN) of company

3 (a) Name of the company

(b) Address of the registered office or principal place of business in India of the company

(c) e-mail ID of the company

4. Details of applicant (in case category is others)

(a) Name

(b) Address Line I
 Line II

(c) City

(d) State

(e) ISO country code

(f) Country

(g) Pin code

(h) e-mail ID

5. * Please indicate the purpose of the petition

- ☐ Petition for shifting of registered office of the company from one State to another under section 17
☐ Petition under section 18
☐ Petition under section 19
☐ Petition for condonation of delay in filing charge forms under section 141
☐ Petition under section 188

6 (a) Service request number (SRN) of relevant form

(Mention the SRN of relevant form 8, 10, 17 or any other form, if applicable)

(b) Date of SRN (DD/MM/YYYY)

(c) Date of passing special or ordinary resolution (DD/MM/YYYY)

7 (a) Charge creation identification (ID) number

(b) Name of chargeholder or ARC or assignee

(c) Address of chargeholder or ARC or assignee

(d) e-mail ID

8. *Details of petition

August
2012



CHARTERED SECRETARY

1016

(GN-169)

**Attachments**

1. *Copy of petition Attach
2. *Affidavit verifying the petition Attach
3. Copy of the notice calling for the meeting with Explanatory Statement Attach
4. Copy of the Special Resolution sanctioning the alteration by the members of the company Attach
5. Copy of the minutes of the meeting at which the special resolution was passed Attach
6. Memorandum of appearance with copy of the Board Resolution or the executed vakalatnama, as the case may be Attach
7. Affidavit providing dispatch and service of notice together with newspaper cuttings Attach
8. Affidavit verifying list of creditors as per regulation 36(7) Attach
9. Copy of the resolution envisaged by section 292(1) (b) or (c) and section 293(1) (d), as may be applicable. Attach
10. Optional attachment(s) - if any Attach

List of attachments

Remove attachment

Verification

- * ☐ To the best of my knowledge and belief, the information given in this petition and its attachments is correct and complete.
- ☐ I have been authorised by the board of directors' resolution number dated (DD/MM/YYYY) to sign and submit this application.

To be digitally signed by

Managing Director or director or manager or secretary (in case of an Indian company) or an authorised representative (in case of foreign company)

Designation

Director identification number of the director or

Managing Director; or Income-tax PAN of

the manager or authorised representative; or

Membership number, if applicable or income-tax PAN of the secretary (secretary of a company who is not a member of ICSI, may quote his/her income-tax PAN)

To be digitally signed by

In case form is being signed by chargeholder or ARC or assignee or chartered accountant (in whole-time practice) or company secretary (in whole-time practice) or cost accountant (in whole-time practice) or others

Designation Capacity

Whether associate or fellow

☐

Associate

☐

Fellow

Membership number or certificate of practice number **For office use only:**

Affix filling details

eForm Service request number (SRN) eForm filing date (DD/MM/YY)**Digital signature of the authorising officer**This e-Form is hereby approved This e-Form is hereby rejected Date of signing

(DD/MM/YYYY)

5. After Annexure 'D' to the said rules, the following Annexure shall be inserted, namely:-

"Annexure 'E'**"FORM 1**

(See rule 6B, 6C and 6D)

[Form for filing petitions to the Central

Government (Regional Director)
(pursuant to section 17, 141 and 188 of the
Companies Act, 1956)]
BEFORE THE REGIONAL DIRECTOR,..... /

IN THE MATTER OF THE COMPANIES ACT, 1956,
SECTION.....

IN THE MATTER OF.....

(State the name and registered office address of the company)

AND

IN THE MATTER OF (Petitioner)

(state the name and address of the petitioner)

OR

(where applicable)

AB**Versus****CD****Details of petition**

1. Particulars of the company, whether petitioner or not
2. Particulars of the petitioner(s) (need not be stated where company is the petitioner) (Name, description, father's / husband's name, occupation, capacity, i.e. qua shareholder, qua depositor and address of the petitioner(s))
3. Particulars of respondent(s) need not be stated where company is the respondent) (Name, description, father's / husband's name, occupation, capacity, i.e. qua shareholder, qua depositor and address of the petitioner(s))
4. Jurisdiction of the Regional Director/Registrar of Companies.
The petitioner declares that the subject-matter of the petition is within the jurisdiction of the Regional Director/Registrar of Companies.
5. Limitation
The petitioner further declares that the petition is within the limitation laid down in section... of the Companies Act, 1956 (or Securities Act, 1956) (where applicable)
6. Facts of the case are give below
give here a concise statement of facts in a chronological order, each paragraph containing as nearly as possible a separate issue, fact or otherwise



From the Government

7.	Matters not previously filed or pending with any other Court. The petitioner further declares that he had not previously filed any application, writ petition or suit regarding the matter in respect of which this petition has been made, before any court of law or any other authority or any other Bench or the Board and not any such application, writ petition or suit is pending before any of them.
8.	Relief(s) sought. In view of the facts mentioned in para above, the petitioner prays for the following relief(s): (Specify below the relief(s) sought explaining the ground for relief(s) and the legal provisions (if any) relied upon)
9.	Interim order, if any, prayed for. Pending final decision on the petition, the petitioner seeks issue of the following interim order: (Give here the nature of the interim order prayed for with reasons)
10.	List of enclosures (See rule 6 F) 1. 2. 3. 4.

Signature of the Petitioner

FORM 2

[See rule 6 F (3)]

Memorandum of appearance

To

The Regional Director/Registrar of Companies

.....,

In the matter of.....Petitioner.

Versus

..... Respondent

Sir,

Please take notice that I,–, Secretary in whole-time practice / practising Chartered Accountant /practising Cost & Works Accountant, duly authorised to enter appearance, and do hereby enter appearance, on behalf of petitioner/opposite party before the Regional Director/Registrar of Companies/Government of in the above-mentioned petition.

*A copy of the resolution passed by the Board of Directors authorising me to enter appearance and to act for every

purpose connected with the proceedings for the said party is enclosed, duly signed by me for identification.

Yours sincerely,

Dated day of

.....

.....

Address:
Membership No
(Telephone No)

Enclosure: as aforesaid".
"Strike, if not applicable.

DOCUMENTS TO BE ATTACHED WITH A PETITION

(See rule 6F)

17(2)	Petition for confirming alteration in Memorandum of Association as to change of place of the registered office from one State to another or with respect to objects of a company	<ol style="list-style-type: none"> 1. Copy of the notice calling for the meeting with Explanatory Statement 2. Copy of the Special Resolution sanctioning the alteration by the members of the company. 3. Copy of the minutes of the meeting at which the Special Resolution was passed. 4. Affidavit verifying the petition. 5. Memorandum of appearance with copy of the Board Resolution or the executed Vakalatnama, as the case may be. 6. Affidavit proving dispatch and service of notice together with newspaper cuttings. 7. Affidavit verifying list of creditors as per regulation 36(7). 8. Acknowledgment receipt from the Chief Secretary of the State Government! Administrator, where applicable
141 (1) and (3)	Petition for extension of time or condonation of delay in filing the particulars of a charge or modification of a charge or limitation of payment or satisfaction of a charge with the Registrar of Companies.	<ol style="list-style-type: none"> 1. Copy of the resolution envisaged by Section 292(1) (b) or (c) and section 293(1) (d), as may be applicable. 2. Affidavit verifying the petition. 3. Memorandum of appearance with copy of the Board Resolution or the executed Vakalatnama, as the case may be.
188(5)	Application for order as to whether the rights conferred are being abused to secure needless publicity for defamatory matter and to order company's costs to be paid in whole or in part by the requisitionists.	<ol style="list-style-type: none"> 1. Affidavit verifying the petition. 2. Memorandum of appearance or duly executed Vakalatnama."

Renuka Kumar
Joint Secretary

08

Filing of Cost Audit Report and Compliance Report in the eXtensible Business Reporting Language (XBRL) mode.

Issued by the Ministry of Corporate Affairs vide General Circular No. 18/2012 dated 26.07.2012.]

August
2012



CHARTERED SECRETARY

1018

(GN-171)



1. Vide MCA's General Circular No. 8/2012 dated 10th May, 2012 [as amended on 29th June, 2012], it has already been mandated by the Ministry of Corporate Affairs that all cost auditors and the concerned companies shall file their Cost Audit Reports and Compliance Reports for the year 2011-12 onwards [including the overdue reports relating to any previous year(s)] only in the XBRL mode. For this purpose, the applicable taxonomy, business rules, validation tools, etc. and also the "Product Group" classification required for preparing the cost audit reports and compliance reports as per the notified Cost Accounting Records Rules, 2011 and Cost Audit Report Rules, 2011 are under preparation and would soon be made available by the Ministry. The actual date for enabling XBRL filing will be intimated separately.
2. It has now been decided by the Ministry that all cost auditors and the concerned companies will be allowed to file their Cost Audit Reports and Compliance Reports for the year 2011-12 [including the overdue reports relating to any previous year(s)] with the Central Government in the XBRL mode, without any penalty, upto 31st December, 2012.
3. The Institute is requested to circulate this for the information of all concerned.

B.B.Goyal
Adviser (Cost)

MINISTRY OF CORPORATE AFFAIRS

Important Message

A Notification vide No. G.S.R. 716(E) dated 23.09.2011 was issued, in view of the order of the Hon'ble High Court of Delhi dtd. 21.04.2011 in the matter of *M/s. S.E. Investment Limited v. Union of India and Others* {W.P. (c) 2393/2010 and CM Appl. 4794/2011}, the Hon'ble Court had *inter alia* held that there is no provision in Delhi Stamp Act for payment of stamp duty on "Increased authorized share capital". Therefore, the payment of stamp duty payable on increase of authorized capital being paid with filing of form no.5 with respect to State of National Capital territory of Delhi was made optional. Now the Hon'ble High Court of Delhi at New Delhi vide order dated 18.10.2011 has stayed the impugned order. In view of the stay it is advisable to make the payment of stamp duty on filing of form 5 for increase in authorized capital with respect to state of National Capital territory of Delhi.

Source: <http://www.mca.gov.in/index.html>
(Last Modified July 25, 2012)

09 Clarifications on Investor Education and Protection fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012

Issued by the Ministry of Corporate Affairs vide Circular No. 17/2012 Dated 23.07.2012.]

The following clarifications are issued with reference to the Investor Education and Protection fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012, published in the Gazette of India Part II section 3 sub section (i) vide Notification No. G.S.R. 352 (E) dated the 10th May, 2012:

- (a) As per these rules, information is to be filed in form 5 INV. The cut-off date for filing information in form 5 INV refers to the date of AGM upto which the information relating to a particular year is to be updated and then filed. Example: for the financial year ended 31.03.2012, where date of AGM is 30.09.2012, the complete information regarding unpaid and unclaimed amounts has to be updated till the date of AGM i.e, upto 30.09.2012 and then this information is to be filed through eform 5 INV within 90 days of the date of AGM i.e, by 29.12.2012.
- (b) The Companies will have to file form 5 INV for the year 2010-2011 upto 31st July, 2012 or within 90 days of the date of Annual General Meeting, whichever is later.
- (c) Any company which has filed form No.5 INV but could not upload correct excel template within 14 days from the date of filing form 5 INV, can file details of investors in excel template upto 31st August, 2012.
- (d) The Companies are required to file one form No.5 INV each year for furnishing information on unpaid/unclaimed amounts lying with companies as on the date of Annual General Meeting.

Alok kumar
Director

10 Filing of Balance Sheet and Profit and Loss Account in Extensible Business Reporting Language (XBRL) Mode for financial year commencing on or after 1.4.2011

Issued by the Ministry of Corporate Affairs vide General Circular No. 16/2012 dated 06.07.2012.]

1. Vide Companies (Filing of documents and forms in



Extensible Business Reporting Language) Rules, 2011 notified vide GSR No. 748E dated 5.10.2011, select class of companies are required to file their Balance Sheet and Profit & Loss Account and other documents as required u/s 220 of Companies Act, 1956 with the Registrar of Companies for the financial year ending on or after 31st March, 2011.

2. It has now been decided by the Ministry to mandate the following select class of companies to file their Balance Sheet and Profit & Loss Account in XBRL mode for the financial year commencing on or after 1.4.2011 :

- (i) all companies listed with any Stock Exchange(s) in India and their Indian subsidiaries; or
- (ii) all companies having paid up capital of Rupees five crore and above; or
- (iii) all companies having turnover of Rupees one hundred crore and above; or
- (iv) all companies who were required to file their financial statements for FY 2010-11, using XBRL mode.

However, banking companies, insurance companies, power companies and Non-Banking Financial Companies (NBFCs) are exempted from XBRL filing till further orders.

3. The applicable taxonomy as per Schedule VI of the Companies Act, 1956 has already been placed on the Ministry's website www.mca.gov.in. The Business Rules, validation tools, etc. required for preparing the financial statements in XBRL format, as per the revised Schedule-VI and Accounting Standards, are under preparation and would soon be made available by the Ministry. The actual date for enabling XBRL filing will be intimated separately.
4. **Additional Fee Exemption:** All companies referred to in Para-2 above, will be allowed to file their financial statements in XBRL mode without any additional fee/penalty upto 15th November, 2012 or within 30 days from the date of their AGM, whichever is later.
5. **Training Requirement:** Stakeholders are advised to visit the Ministry's website www.mca.gov.in/XBRL/index.html regularly to have training in XBRL on taxonomy related issues.

Sanjay Shorey
Joint Director

11 Constitution of a Committee to formulate a Policy Document on Corporate Governance

Issued by the Ministry of Corporate Affairs vide File No. 17/46/2012-CL-V dated 29.06.2012.]

In continuation of this office O.M. of even number dated 7.03.2012 the undersigned is directed to say that Chairman, SEBI or his nominee shall also be the member of the Committee with immediate effect to formulate a policy document on Corporate Governance.

Sanjay Shorey
Joint Director

12 Imposing Fees on Certain E-Forms Filed with ROC, RD or MCA (HQ) Under MCA-21 Where at Present No Fee is Prescribed

PIB Press Release dated 24.07.2012.]

The Ministry of Corporate Affairs has decided to impose a certain amount of fee on the following forms at the rates indicated in the table below:-

S. No.	Form No.	Particulars of the Form	Fee Applicable
1	Form 1 of Investor Education protection Fund Rule	Statement of amounts credited to Investor Education and Protection Fund	As per Schedule X to the Act.
2	Form 23B	Information by statutory auditor to the Registrar of Companies Act, 1956 pursuant to section 224(1) (a) of the Companies Act, 1956	As per Schedule X to the Act.
3	Form 24A	Information by statutory auditor to the Registrar of Companies Act, 1956 pursuant to section 224(1)(a) of the Companies Act, 1956.	As per Companies (Fee on Application) Rules, 1999
4	Form 36	Receiver's or manager's abstract of receipts and payments (charge related form)	As per Schedule X to the Act.
5	Form 61	Application to RoC- (a) Compounding of	(a) As per Companies (Fee on Application)



		Offences u/s 621A (b) Application for extension of Annual General Meeting upto 3 months u/s 166 of the Act (c) Application for extension of time for preparation of Annual Accounts upto 18 months u/s 220 of the Act. (d) Others	Rules, 1999 (b) -Do- (c) -Do- (d) -Do-
6	Form 62	Form for submission of misc. documents under the below mentioned rules: (a) Form 154 of the Companies (Court) Rules, 1959 (b) Form 157 of the Companies (Court) Rules, 1959 (c) Form 158 of the Companies (Court) Rules, 1959	As per Schedule X to the Act.
7	Form 65	Application to the Central Govt (HQ)- (a) Application pursuant to rule 2 of the Companies (Application for Extension of Time or Exemption under Sub-section (8) of Section 58A) Rules, 1979. (b) Information and explanation on reservations and qualification contained in the cost audit report by a company	(a) as per Companies (Fee on Application) Rules, 1999 (b) Nil (c) as per Companies (Fee on Application) Rules, 1999

This fee is effective from July 22, 2012. Prior to it no fee was levied for forms.

13 Serious Fraud Investigation Officers authorized for purposes of filing and conducting prosecution under the Companies Act, 1956

Issued by the Ministry of Corporate Affairs vide GSR 539(E) dated 06.07.2012.]

In pursuance of sub-section (1) of section 621 of the Companies Act, 1956 (1 of 1956), the Central Government hereby authorise the following officers in the Serious Fraud Investigation Office, Ministry of Corporate Affairs, for the purposes of filing and conducting prosecution under the Companies Act, 1956, namely:-

1.	Shri Subodh Kumar Saraogi	Senior Assistant Director
2.	Shri Raj Kumar	Senior Assistant Director
3.	Shri R.K. Mishra	Senior Assistant Director

4.	Shri Sanjay Kumar	Assistant Director
5.	Shri S.S. Sahni	Assistant Director
6.	Shri C.S. Lakshminarayanan	Assistant Director
7.	Shri Ashok Jain	Senior Assistant Director
8.	Shri D. A. Sampath	Assistant Director
9.	Ms. Parveen	Assistant Director
10.	Shri N. Mukundan	Assistant Director
11.	Shri Prem Sunder Singh	Assistant Director
12.	Shri Ajay Singh	Assistant Director
13.	Shri Amit Sinha	Assistant Director
14.	Shri A.S. Mishra	Assistant Director
15.	Shri N. Balasubramanian	Senior Assistant Director, SFIO, Chennai
16.	Shri S. Krishnakumar	Assistant Director, SFIO, Chennai

14 Contents of Application Form and Abridged Prospectus for Public Issue of Debt Securities

Issued by the Securities and Exchange Board of India vide CIR/IMD/DF-1/19/2012 dated 25.07.2012.]

Background

- SEBI had notified SEBI (Issue and Listing of Debt Securities) Regulations in 2008 specifying norms for public issue of debt securities and privately placed listed debt securities.
- With respect to public issue of debt securities, there is currently no specified standard format for the Application Form and Abridged Prospectus. This has resulted in different application forms and abridged prospectus being used in public issues of debt securities.
- In order to standardize the Application Form and Abridged Prospectus for public issue of debt securities, the existing forms and abridged prospectus were discussed and deliberated upon with market participants. Based on the discussions, the structure, design, format, contents and organization of information in the Application Form and Abridged Prospectus have been standardized and made uniform for public issues of debt securities.

Application Form

- The following shall be applicable with respect to the application form to be filled up by the investor:
 - All Application forms shall be printed in A4 size sheet. The illustrative format of Application Form that shall be used for Resident and Non-Resident Investors



From the Government

(NRI), are placed at Annexure A* and B* respectively. It may be noted that certain sections in the form are filled only for illustrative purposes.

- b) No change shall be carried out in spacing, placement or in data fields in the Application Form except for the following :
 - i. For issues offered only in dematerialized form, the sections pertaining to physical applications may be removed.
 - ii. Under Point No. 5 in application form, the number of columns for providing different series details is illustrative and may vary depending on the terms of the issue.
 - iii. Investor Categories and sub-categories may vary depending on the issue.
 - iv. Details to be provided under issue structure may vary depending on the terms of the issue.
 - v. KYC documents required may vary depending on the terms of the issue.
 - vi. The declaration pertaining to application in physical form may be removed if the issue is offered only in dematerialized form.
- c) In case the issue is not offered to NRI investors, the NRI specific form may not be printed.

Abridged Prospectus

5. The following shall be applicable with respect to the abridged prospectus annexed to the application form:
 - a) The abridged prospectus shall be printed in A4 size sheets. The information shall be provided under the abridged prospectus as given at Annexure-C* hereto.
 - b) The Abridged Prospectus shall be printed:
 - i. In Times New Roman font,
 - ii. in a font size of not less than 10,
 - iii. with a line spacing not less than 1.00 lines
 - iv. and normal character spacing with 100% scale and no condensation.
 - c) A larger font size may be used, if required, for different heads of information. All major heads shall be in uppercase and bold and in boxes. The first level subheads shall be in bold and in boxes. The other levels of sub-heads shall be bold and underlined.
 - d) The numbering shall be either continuous or with different types of numbering for different heads/ sub-heads.
 - e) The application form shall be so positioned that on the tearing-off of the application form, no part of the information given in the abridged prospectus is mutilated.
 - f) The order of the contents in the abridged prospectus

shall not be changed.

- g) Tabular formats and pointers may be used wherever possible for efficient understanding. Instructions for filling up the form, payment instructions and risk factors shall be in pointers and every pointer shall be in a new line.
 - h) The top of every page in the abridged prospectus shall have a colored strap in bold letters incorporating the statement
 "IN THE NATURE OF FORM 2A -
 MEMORANDUM CONTAINING SALIENT
 FEATURES OF THE PROSPECTUS"
 - i) Under the sections 'any other information', any information which is important for the investor but has not been included in the other heads may be included.
 - j) Risk factors shall be so provided that they convey the risks associated with the issue briefly.
 - k) A reference may be made to the prospectus wherever necessary.
6. The issuer and all the concerned intermediaries are directed to comply with the instructions contained in this circular effective from 30 days to the date of this circular.
 7. This circular is issued in exercise of powers conferred under Section 11(1) and section 11A of the Securities and Exchange Board of India Act, 1992 read with Regulation 31(1) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
 8. This circular is available on SEBI website at <http://www.sebi.gov.in/> under the category "Legal Framework" and "Corp Debt Market".

Maninder Cheema
Deputy General Manager

15 Revision of Eligibility Criteria for Stocks in Derivatives Segment

Issued by the Securities and Exchange Board of India vide CIR/DNPD/3/2012 dated 23.07.2012.]

1. This circular is issued in partial modification of Master Circular on Exchange Traded Derivatives CIR/DNPD/1/2012 dated January 2, 2012.
2. In order to improve market integrity, it has been decided, in consultation with Stock Exchanges, to tighten the eligibility and exit criteria for stocks in derivatives segment as given hereunder.

Eligibility criteria for stocks in derivatives segment

3. At present, minimum Median Quarter Sigma Order Size

* Not reproduced here. For Annexures - A, B, and C logon to Sebi Website www.sebi.gov.in and then refer to the Circular.



(MQSOS) requirement for a stock to be eligible for introduction in derivatives segment is ₹ 5 Lakh. It has been decided to revise this minimum MQSOS requirement to ₹ 10 Lakh.

4. Thus, in Para '3.1.2.b' of the master circular, for the letters and figures "Rs. 5 Lakh (Rupees Five Lakh)", the following letters and figures shall be substituted, namely "₹ 10 Lakh".
5. At present, minimum MWPL requirement for a stock to be eligible for introduction in derivatives segment is ₹100 crore. It has been decided to revise this minimum MWPL requirement to ₹ 300 crore.
6. Thus, in Para '3.1.2.c' of the master circular, for the letters and figures "Rs. 100 crores (Rupees Hundred Crores)", the following letters and figures shall be substituted, namely "₹ 300 crore".

Exit criteria for stocks in derivatives segment

7. At present, minimum MWPL requirement for a stock to be retained in derivatives segment is ₹ 60 crore. It has been decided to revise this minimum MWPL requirement to ₹ 200 crore.

At present, minimum MQSOS requirement for a stock to be retained in derivatives segment is ₹ 2 Lakh. It has been decided to revise this minimum MQSOS requirement to ₹ 5 Lakh.

An additional criterion of 'stock derivatives to have average monthly turnover in derivatives segment for last three months of ` 100 crore' has also been decided to be implemented for a stock to be retained in derivatives segment.

8. Thus, for the first paragraph under heading "Exit criteria for stocks in derivatives" under Para '3.1.2' of the master circular, the following paragraph shall be substituted:

"The criteria for retention of stock in derivatives segment are as under:

- a. The stock's median quarter-sigma order size over last six months shall be not less than ₹ 5 lakh.
- b. MWPL of the stock shall not be less than ₹ 200 crore.
- c. The stock's average monthly turnover in derivatives segment over last three months shall not be less than ₹ 100 crores"

9. Rest of the stipulations regarding eligibility and exit criteria for single stock derivatives will remain as it is.

10. Exchanges are directed to take necessary action to give effect to this circular. No fresh month contract shall be issued on stocks that may exit the F&O segment, however, the existing unexpired contracts may be

permitted to trade till expiry and new strikes may also be introduced in the existing contract months.

11. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act 1992, read with Section 10 of the Securities Contracts (Regulation) Act, 1956 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

12. This circular is available on SEBI website at www.sebi.gov.in under the category "Derivatives-Circulars".

Shashi Kumar
Deputy General Manager

16 Amendment to definition of Qualified Foreign Investor (QFI) and QFI investment in debt mutual fund schemes which invest in infrastructure

[Issued by the Securities and Exchange Board of India vide CIR/IMD/FII&C/18/2012 dated 20.07.2012.]

1. Vide SEBI circulars [Cir/IMD/DF/14/2011](#) and [Cir/IMD/FII&C/3/2012](#) dated August 09, 2011 and January 13, 2012, respectively, QFIs were allowed to invest in schemes of Indian mutual funds and Indian equity shares subject to terms and conditions mentioned therein. Subsequently, vide SEBI circular [CIR/IMD/FII&C/13/2012](#) dated June 07, 2012 the QFI framework has been revised.

2. Amendment to definition of QFI:

In consultation with Government of India and Reserve Bank of India it has been decided that the term "person" and the phrase "resident in India" shall carry the same meaning as defined under the Income Tax Act, 1961.

Accordingly, the amended definition for QFI shall read as under:

"QFI shall mean a person who fulfils the following criteria:

- (i) Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and
- (ii) Resident in a country that is a signatory to IOSCO's MMOU (Appendix A Signatories) or a signatory of a



From the Government

bilateral MOU with SEBI:

Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on-(i) jurisdictions having a strategic Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies:

Provided further such person is not resident in India:

Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor.

Explanation.-For the purposes of this clause:

- (1) The term "Person" shall carry the same meaning under section 2(31) of the Income Tax Act, 1961;*
- (2) The phrase "resident in India" shall carry the same meaning as in the Income Tax Act, 1961;*
- (3) "Resident" in a country, other than India, shall mean resident as per the direct tax laws of that country.*
- (4) "Bilateral MoU with SEBI" shall mean a bilateral MoU between SEBI and the overseas regulator that inter alia provides for information sharing arrangements.*
- (5) Member of FATF shall not mean an Associate member of FATF.*

3. QFI investment in debt mutual fund schemes which invest in infrastructure

- 3.1. Vide SEBI circulars IMD/DF/14/2011 dated August 09, 2011 QFIs have been allowed to invest in mutual fund debt schemes which invest in infrastructure debt upto a total ceiling of USD 3 billion out of the total long term corporate infrastructure limits of USD 25 billion.
- 3.2. As a measure of relaxation, RBI vide circular A.P. (DIR Series) Circular No. 135 dated June 25, 2012 has relaxed investment restriction for QFI investment in debt mutual fund schemes which invest in infrastructure.
- 3.3. Accordingly, QFIs can now invest in those debt mutual fund schemes that hold atleast 25 percent of their assets (either in debt or equity or both) in the infrastructure sector under the USD 3 billion investment limit of debt mutual fund schemes which invest in infrastructure.
- 3.4. Monitoring and allocation of USD 3 billion limit of QFI investment in debt mutual fund schemes which invest in infrastructure shall be in the following

manner-

- 3.4.1. In partial amendment to SEBI circular IMD/DF/14/2011 dated August 09, 2011 QFI can invest without obtaining approval until the overall QFI investments reaches 90% (ninety percent) of USD 3 billion i.e. USD 2.7 billion.
- 3.4.2. Terms and conditions related to monitoring, allocation, requirement of obtaining prior approval (after reaching 90% of investment limit) and reporting shall be as prescribed in circular CIR/IMD/FII&C/17/2012 dated July 18, 2012.

4. QFIs shall have to comply with provisions of the Foreign Exchange Management Act, 1999 (FEMA).

This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

S. Madhusudhanan
Deputy General Manager

17 Establishment of Connectivity with both depositories NSDL and CDSL- Companies eligible for shifting from Trade for Trade Settlement (TFTS) to normal Rolling Settlement

Issued by the Securities and Exchange Board of India vide CIR/MRD/DP/19/2012 dated 20.07.2012.]

1. It is observed from the information provided by the depositories that the companies listed in Annexure 'A' have established connectivity with both the depositories.
2. The stock exchanges may consider shifting the trading in these securities to normal Rolling Settlement subject to the following:
 - a) At least 50% of other than promoter holdings as per clause 35 of Listing Agreement are in dematerialized mode before shifting the trading in the securities of the company from TFTS to normal Rolling Settlement. For this purpose, the listed companies shall obtain a certificate from its Registrar and Transfer Agent (RTA) and submit the same to the stock exchange/s. However, if an issuer-company does not have a separate RTA, it may obtain a certificate in this regard from a practicing company Secretary/Chartered Accountant and submit the same to the stock exchange/s.
 - b) There are no other grounds/reasons for continuation of the trading in TFTS.



3. The Stock Exchanges are advised to report to SEBI, the action taken in this regard in the Monthly/Quarterly Development Report.

Harini Balali
Deputy General Manager

Annexure A

Sr. No.	Name of the Company	ISIN
1.	Innoventive Venture Limited	INE322N01013
2.	Haryana Texprints (Overseas) Limited	INE206G01012
3.	Nilachal Refractories Limited	INE416N01013
4.	Jumbo Finance Limited	INE122N01017
5.	Saboo Brothers Limited	INE021N01011
6.	Harmony Capital Services Limited	INE264N01017
7.	Neycer India Limited	INE275N01013
8.	Arun Varun Trade And Investment Limited	INE292N01018
9.	Zenith Capitals Limited	INE132N01016
10.	Prakash Oils Limited	INE054N01012
11.	Olympic Oil Industries Limited	INE286E01019
12.	Five X Finance & Investment Limited	INE750L01019
13.	Star Delta Transformers Limited	INE541K01014

18 Investment by Qualified Foreign Investors (QFI) in Indian Corporate Debt

Issued by the Securities and Exchange Board of India vide CIR/IMD/FII&C/17/2012 dated 18.07.2012.]

1. Vide SEBI circulars Cir/IMD/DF/14/2011 and Cir/IMD/FII&C/3/2012 dated August 09, 2011 and January 13, 2012 respectively, Qualified Foreign Investors (QFIs) were allowed to invest in schemes of Indian mutual funds and Indian equity shares subject to terms and conditions mentioned therein by opening a demat account with a qualified Depository Participant (DP). In consultation with the Government of India (GoI) and RBI, it has now been decided to allow QFIs to invest in Indian corporate debt securities and debt schemes of Indian mutual funds.
2. The QFI transactions shall be limited to the following debt securities:
 - i. Purchase and sale of corporate debt securities listed on recognized stock exchange(s);
 - ii. Purchase of corporate debt securities through public issues, if the listing on recognized stock exchange(s) is committed to be done as per the extant provisions of the Companies Act, 1956;
 - iii. Sale of corporate debt securities by way of buyback or redemption by the issuer;
 - iv. Purchase and sale of units of debt schemes of Indian mutual funds.
3. The provisions relating to FIIs in case of non-listing of "to be listed" corporate bonds within fifteen days as per SEBI circular CIR/IMD/FII&C/18 /2010 dated November 26, 2010, shall be applicable to QFIs.
4. Limits for investment in corporate debt--QFIs are permitted to invest in corporate debt securities (without any lock-in or residual maturity clause) and mutual fund debt schemes subject to a total overall ceiling of USD 1 billion. This limit shall be over and above the limit of USD 20 billion for FII investment in corporate debt and shall be monitored and allocated in the following manner-
 - 4.1. QFI can invest without obtaining prior approval until the aggregate QFI investments reaches 90% (ninety percent) of USD 1 billion i.e. USD 0.9 billion.
 - 4.2. Monitoring and allocation of investment limits shall be broadly in terms of SEBI circular dated January 13, 2012.
 - 4.3. The depositories shall administer and monitor, so as to ensure, that aggregate investment of all QFIs shall not be more than 90% of the investment limit.
 - 4.4. The depositories shall jointly publish/ disseminate the aggregate investment of QFIs to public, on daily basis.
 - 4.5. When the aggregate investments of all the QFIs reaches 90% of the investment limit, notice informing the same shall be published by the depositories on their websites and no fresh purchases shall be allowed without prior approval of the depositories. The same shall be informed by the depositories to the DPs and recognized stock exchanges having nationwide terminals. The depositories shall also inform the DPs and such stock exchanges when aggregate investments of all the QFIs fall below 90% of the investment limits.
 - 4.6. For fresh purchases by QFIs after the investment limit reaches 90%, prior approval of the depositories shall be obtained. The QFI shall make such request for prior approval to the concerned depository through the DP specifying therein the name of the QFI, PAN and other unique identification number relating to that QFI, by way of any mode of communication as specified by the depositories in consultation with each other. The concerned depository shall provide the details of prior approval requests received by it to the other depository.



- 4.7. After market hours, the depository shall give approval to request for purchase on a first-come-first-served basis in co-ordination with the other depository, based on time of receipt of the prior approval requests by the depositories. The validity of the approval shall be for the next trading day only.
- 4.8. In case the aggregate shareholding of the QFI exceeds overall investment limit, the depositories shall jointly notify the respective DPs regarding the breach along with the names of the QFI due to whom the limits have been breached. For this purpose, the stock exchanges shall provide the required information so as to enable the depositories to identify the transaction details of the QFI including the name of QFI, PAN and/ or other unique identification number relating to that QFI, purchase quantity and time or any other information as may be required by the depositories.
- 4.9. In case the aggregate shareholding of the QFIs exceeds overall investment limit for whatsoever reason, the QFI due to whom the limit is breached shall mandatorily divest excess holdings within three working days of such breach being notified by depositories to the DP. The DP shall obtain necessary authorization from the QFI at the time of account opening for such divestment of excess holdings.
5. Know Your Customer (KYC) - DPs will ensure KYC of the QFIs as per the norms prescribed by SEBI in circular dated January 13, 2012 and SEBI circulars issued in this regard from time to time. AD Category banks will also ensure KYC of the QFIs for opening and maintenance of the single non-interest bearing Rupee Accounts as per the extant norms prescribed by RBI.
6. All the other stipulations prescribed by SEBI in circular dated January 13, 2012 regarding QFI investment in equity shall apply *mutatis mutandis*.
7. Reporting - In addition to the reporting to RBI as may be prescribed by them, DPs will also ensure reporting to SEBI in a manner and format as prescribed by SEBI from time to time.

This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

S. Madhusudhanan
Deputy General Manager

19 Comprehensive guidelines on Offer For Sale (OFS) of Shares by Promoters through the Stock Exchange Mechanism

Issued by the Securities and Exchange Board of India vide CIR/MRD/DP/18/2012 dated 18.07.2012.]

This has reference to circular no. CIR/MRD/DP/05/2012 dated February 1, 2012, CIR/MRD/DP/07/2012 dated February 23, 2012 and CIR/MRD/DP/8/2012 dated February 27, 2012 on the captioned subject.

Several representations/suggestions have been received from the market participants on few provisions of the above circulars. After due examination and deliberation with the market participants it has been decided to replace the procedures and instructions contained in the aforementioned circulars by the following:

1. Eligibility

(a) Exchanges

The facility of offer for sale of shares shall be available on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

(b) Sellers

- (i) All promoter(s)/ promoter group entities of such companies that are eligible for trading and are required to increase public shareholding to meet the minimum public shareholding requirements in terms of Rule 19(2)(b) and 19A of Securities Contracts (Regulation) Rules, 1957 (SCRR), read with clause 40A (ii) (c) of Listing Agreement.
- (ii) All promoter(s)/ promoter group entities of top 100 companies based on average market capitalization of the last completed quarter.

For (i) and (ii) above, the promoter/promoter group entities should not have purchased and/or sold the shares of the company in the 12 weeks period prior to the offer and they should undertake not to purchase and/or sell shares of the company in the 12 weeks period after the offer. However, within the cooling off period of +12 weeks, the promoter(s)/promoter group entities can offer their shares only through OFS/ Institutional Placement Programme (IPP) with a gap of 2 weeks between successive offers.

The above shall also be applicable on promoter(s)/ promoter group entities who have already offered their shares through OFS/IPP.



(c) Buyers

All investors registered with the brokers of the aforementioned stock exchanges other than the promoter(s)/ promoter group entities.

2. Definitions

- (a) "Single Clearing Price" is the price at which the shares are allocated to the successful bidders in a proportionate basis methodology.
- (b) "Multiple Clearing Prices" are the prices at which the shares are allocated to the successful bidders in a price priority methodology.
- (c) "Indicative Price" is the volume weighted average price of all the valid/confirmed bids
- (d) "Floor Price" is the minimum price at which the seller intends to sell the shares.

3. Size of Offer for sale of shares

The size of the offer shall be a minimum of ₹25 crores. However, size of offer can be less than ₹25 crores so as to achieve minimum public shareholding in a single tranche.

4. Advertisement and offer expenses

- (a) Advertisements about the offer for sale of shares through stock exchange(s), if any, shall be made after the announcement/notice of the offer for sale of shares to the stock exchanges in accordance with para 5 (b) below and its contents shall be restricted to the contents of the notice as given to the stock exchange under Para 5 (b).
- (b) All expenses relating to offer for sale of shares through stock exchange(s) shall be borne by the seller(s).

5. Operational Requirements

(a) Appointment of Broker

The Seller(s) will appoint broker(s) for this purpose. The Seller's broker(s) may also undertake transactions on behalf of eligible buyers.

(b) Contents of the announcement/ Notice of the Offer for sale of shares

Seller(s) shall announce the intention of sale of shares at least one clear trading day prior to the opening of offer, along with the following information:

- (i) Name of the seller(s) (promoter/ promoter group) and the name of the company whose shares are proposed to be sold.
- (ii) Name of the Exchange(s) where the orders shall be placed. In case orders are to be placed on both BSE and NSE, one of them shall be declared as the Designated Stock Exchange ("DSE").
- (iii) Date and time of the opening and closing of the

offer.

- (iv) Allocation methodology i.e. either on a price priority (multiple clearing prices) basis or on a proportionate basis at a single clearing price.
- (v) Number of shares being offered for sale.
- (vi) The maximum number of shares that the seller may choose to sell over and above the offer made at point (v) above. The name of the broker(s) on behalf of the seller(s).
- (vii) The date and time of the declaration of floor price, if the seller(s) chooses to announce it to the market. Alternatively, a declaration to the effect that the floor price will be submitted to the DSE in a sealed envelope that shall be disclosed post closure of the offer.
- (viii) Conditions, if any, for withdrawal or cancellation of the offer.

(c) Floor price

- (i) In case the seller chooses to disclose the floor price, the seller(s) shall declare it after the close of trading hours and before the close of business hours of the exchanges on T-1 day else the seller(s) shall give the floor price in a sealed envelope to DSE before the opening of the offer. (T day being the day of the offer for sale)
- (ii) The floor price if not declared to the market, shall not be disclosed to anybody, including the selling broker(s).
- (iii) Sealed envelope shall be opened by the DSE after the closure of the offer for sale and the floor price suitably disseminated to the market.

(d) Timelines

- (i) The duration of the offer for sale shall be as per the trading hours of the secondary market and shall not exceed one trading day.
- (ii) The placing of orders and funds on the exchange system shall take place only during trading hours.
- (iii) In case of institutional trades, the custodians shall conclude the confirmation of bids with the available funds not later than the end of the half an hour post close session.

(e) Order Placement

- (i) A separate window for the purpose of offer for sale of shares shall be created by stock exchanges. Modification/ Cancellation of orders/ bids will be allowed during the duration of the offer only for bids for which 100% upfront margin has been received. However, modification/ cancellation of orders/ bids shall not be allowed during the last 60 minutes of the duration of the offer.
- (ii) Cumulative orders/ bid quantity information shall



be made available online by the exchanges at specific time intervals. The indicative price shall be disclosed by the exchanges only during the last 60 minutes of the duration of the offer for sale.

- (iii) If the security has a price band in the normal segment, the same shall not apply for the orders placed in the offer for sale. Stock specific tick size as per the extant practice in normal trading session shall be made applicable for this window.
- (iv) In case of shares under offer for sale, the trading in the normal market shall also continue. However, in case of market closure due to the incidence of breach of 'Market wide index based circuit filter', the offer for sale shall also be halted.
- (v) Only limit orders/ bids shall be permitted.
- (vi) Multiple orders from a single buyer shall be permitted.
- (vii) In case floor price is disclosed, orders/ bids below floor price shall not be accepted.

6. Risk Management

- (a) Clearing Corporation/ Clearing house shall collect 100% of the order value in cash from non-institutional investors at the order level for every buy order/ bid. Institutional investors shall have an option to pay either 25% of the order value or 100% of the order value in cash at the order level for every buy order/ bid to the Clearing Corporation/ Clearing house. Such funds shall neither be utilized against any other obligation of the trading member nor co-mingled with other segments.
- (b) Modification/ Cancellation of orders/ bids will be allowed only for bids for which 100% upfront margin has been received. In case of order/bid modification/cancellation, such funds shall be released/collected on a real time basis by the stock exchange.
- (c) The seller(s) shall deposit the entire quantity of shares offered for sale including the additional shares disclosed at Para 5(b)(vi) as pay-in with the clearing corporation/clearing house of DSE prior to the commencement of the offer. No other margin shall be charged on the seller(s).

7. Allocation

- (a) Minimum of 25% of the shares offered shall be reserved for mutual funds and insurance companies, subject to allocation methodology. Any unsubscribed portion thereof shall be available to the other bidders.
- (b) The orders shall be cumulated by the DSE immediately on close of the offer. Based on the methodology for allocation to be followed as disclosed in the notice, the DSE shall draw up the allocation. i.e.

either on a price priority (multiple prices) basis or on a proportionate basis at a single clearing price.

- (c) No allocation will be made in case of order/ bid is below floor price.
- (d) No single bidder other than mutual funds and insurance companies shall be allocated more than 25% of the size of offer for sale.
- (e) The allocation details shall be shared by the DSE with the other exchange after the allocation is crystallized.

8. (i) Settlement

- a. The allocation and the obligations resulting thereof shall be intimated to the brokers on T day.
- b. The settlement shall take place similar to trade for trade basis and shall be completed on T + 1 day. There shall be no netting of settlement at broker's end.
- c. Funds collected from the bidders who have not been allocated shares shall be released after the download of the obligation.
- d. On T+1 day, to the extent of obligation determined, the clearing Corporation/ Clearing house of DSE shall transfer such number of shares to the clearing corporation/clearing house of the other stock exchange, without consideration of money. Excess shares, if any, shall be returned to seller broker(s). The direct credit of shares shall be given to the demat account of the successful bidder provided such manner of credit is indicated by the broker/bidder.

(ii) Handling of default in pay-in

- a. In the event of default in pay-in an amount of 10% of the bid value shall be forfeited as a penalty and shall be credited to Investor Protection Fund. The balance amount shall be returned to the bidder.
- b. The price at which allotments have been made based on the allocation on T day shall not be revised as a result of any default in pay-in.
- c. Issuer shall have the option to cancel in full or conclude the offer.
- d. Allotment details after settlement shall also be disseminated by the exchange.
- e. Allocation details after settlement shall be consolidated by the DSE and excess shares, if any, shall be returned by the respective Clearing Corporation/ Clearing house to the seller(s) broker(s).
- f. Settlement Guarantee Fund shall not be available for OFS through stock exchange mechanism.

9. Issuance of Contract Notes

The brokers shall be required to issue contracts note to its clients based on the allotment price and quantity in terms of conditions specified by the exchange.

10. Withdrawal of offer

The offer for sale may be withdrawn prior to its proposed



opening. In such a case there will be a cooling off period of 10 trading days from the date of withdrawal before an offer is made once again. The stock exchange(s) shall suitably disseminate details of such withdrawal.

11. Cancellation of offer

Cancellation of offer shall not be permitted during the bidding period. If the seller(s) fails to get sufficient demand at or above the floor price, he may choose to either conclude the offer or cancel it in full. The seller may also choose to conclude the offer or cancel it in full, in case of defaults in settlement obligation.

12. This circular shall supersede the circulars no. CIR/MRD/DP/05/2012 dated February 1, 2012, CIR/MRD/DP/07/2012 dated February 23, 2012 and CIR/MRD/DP/8/2012 dated February 27, 2012.
13. Stock Exchanges are advised to:
 - a. take necessary steps and put in place necessary systems for implementation of the above.
 - b. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.
 - c. bring the provisions of this circular to the notice of the member brokers of the stock exchange and also to disseminate the same on the website.
14. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Harini Balaji
Deputy General Manager

20 Portfolio Managers – Deployment of clients fund in liquid Mutual Funds

Issued by the Securities and Exchange Board of India vide CIR/IMD/DF-1/16/2012 dated 16.07.2012.]

1. SEBI has received representation from various portfolio managers seeking clarification regarding investment in short term liquid Mutual Funds by portfolio managers.
2. It is hereby clarified that pending investment of funds, any short term deployment of funds in liquid Mutual Funds for the purpose of cash management shall be maintained on the lines as specified by the SEBI circular no. IMD/DoF-I/PMS/Cir-4/2009 dated June 23, 2009.
3. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with the provisions of Regulation 39 of the SEBI (Portfolio Managers)

Regulations, 1993, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

4. This circular is available on SEBI website at www.sebi.gov.in under the category "Legal Framework" and under "Info for" Portfolio Managers.

Maninder Cheema
Deputy General Manager

21 Amendment to the Equity Listing Agreement - Platform for E-Voting by Shareholders of Listed Entities

Issued by the Securities and Exchange Board of India vide CIR/CFD/DIL/6/2012 dated 13.07.2012.]

1. Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 (the Rules) obligates the listed companies to conduct certain businesses only by way of postal ballot. The Companies Act and the Rules also permit the companies to pass any other business through postal ballot apart from those businesses which are to be transacted mandatorily through postal ballot. Further, SEBI (Buy Back of Securities) Regulations, 1998, SEBI (Delisting of Equity Shares) Regulations, 2009, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 require listed companies to pass certain additional businesses through postal ballot.
2. As per section 192A, a postal ballot also includes voting by electronic mode. It had been the endeavor of the Central Government to provide wider participation of shareholders in decisions of the companies through electronic voting process. Hon'ble Finance Minister in his budget speech for FY 2012-13 has also proposed for providing opportunities for wider shareholder participation in important decisions of the companies through electronic voting (e-voting) facilities, besides existing process for shareholder voting.
3. In order to have secured electronic platform for capturing accurate electronic voting processes, Ministry of Corporate Affairs has vide circular dated December 27, 2011 clarified that any agency providing e-voting platform is required to obtain a certificate from Standardization Testing and Quality Certification (STQC) Directorate, Department of Information Technology, Ministry of



From the Government

Communication and IT, Government of India, New Delhi. Presently, both the Depositories - Central Depository Services (India) Limited and National Securities Depository Limited - are providing e-voting platform, after obtaining necessary certifications.

4. In order to implement the aforesaid and to enable wider participation of shareholders in important proposals, it has been decided to mandate the listed companies to enable e-voting facility also to their shareholders, in respect of those businesses which are transacted through postal ballot by the listed companies. To begin with, this requirement shall be applicable to top 500 listed entities at BSE and NSE, chosen Securities and Exchange Board of India based on the market capitalization computed as on the date of this circular. It has, therefore, been decided to specify suitable listing conditions in this regard and amend the Equity Listing Agreement as per the Annexure.
5. In order to effectively implement the process of e-voting, :
 - (a) the concerned listed companies shall choose any one of the agencies, which is currently providing e-voting platform for this purpose;
 - (b) agencies providing such e-voting platform shall ensure that the process for e-voting is explained in the e-voting platform along with necessary "FAQs" and shall also ensure that the draft resolutions, explanatory statement and other annexures, if any, sent to the shareholders are displayed prominently in the concerned page of the e-voting platform.
6. The amendment as specified in Annexure shall be applicable for the shareholders' meetings, for which notices are issued on or after October 01, 2012. However, the listed companies are at liberty to provide e-voting facility to their shareholders in the meetings for which notices have been sent prior to October 01, 2012.
7. The Recognised Stock Exchanges are advised to notify the list of listed companies, for which the above decision shall be applicable, as per the criteria specified at point 4 above.
8. The above listing conditions are specified in exercise of the powers conferred under Section 11 read with Section 11A of the Securities and Exchange Board of India Act, 1992. The said listing conditions should form part of the existing Equity Listing Agreement of the stock exchange.
9. All Recognised Stock Exchanges are advised to ensure compliance with this circular and carry out the

amendments in their Equity Listing Agreement as per the Annexure to this circular.

10. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework" and "Issues and Listing".

Sunil Kadam
General Manager

Annexure

Amendments to Equity Listing Agreement

After Clause 35A, a new Clause 35B shall be inserted, namely:-

- "35B. (i) The issuer agrees to provide e-voting facility to its shareholders, in respect of those businesses, which are transacted through postal ballot. Such e-voting facility shall be kept open for such period specified under the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 for shareholders to send their assent or dissent.
- (ii) Issuer shall continue to enable those shareholders, who do not have access to e-voting facility, to send their assent or dissent in writing on a postal ballot pursuant to the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 or amendments made thereto.
- (iii) Issuer shall utilize the service of any one of the agencies providing e-voting platform, which is in compliance with conditions specified by the Ministry of Corporate Affairs, Government of India, from time to time.
- (iv) Issuer shall mention the Internet link of such e-voting platform in the notice to their shareholders"

22 Review of Regulatory Compliance and Periodic Reporting

Issued by the Securities and Exchange Board of India vide CIR/MIRSD/7/2012 dated 05.07.2012.]

1. Registrars to an issue and Share Transfer Agents are required to furnish quarterly report in electronic form in the prescribed format in terms of SEBI Circulars No. RRTI Circular No. 1(94-95) dated October 11, 1994 and MIRSD/DPS-2/RTA/Cir-17/2008 dated May 06, 2008.
2. In order to strengthen the compliance mechanism and



the role of the Boards of Registrars to an Issue and Share Transfer Agents, it has been decided to review the norms and format for periodic reporting. The revised format as given in the Annexure includes the status of regulatory compliance and investor grievances redressal.

3. The Boards of Registrars to an Issue and Share Transfer Agents shall, henceforth, review the report and record their observations on (i) the deficiencies and non-compliances, and (ii) corrective measures initiated to avoid such instances in future.
4. Accordingly, with effect from half year ending September 30, 2012, the Compliance Officer of the Registrar to an Issue and Share Transfer Agent shall send the report in the revised format to SEBI at rta@sebi.gov.in on half yearly basis within three months of the expiry of the half year. The other terms and conditions specified in the circulars mentioned in Para 1 shall remain unchanged.
5. Further, according to Circular no. CIR/MIRSD/5/2011 dated June 17, 2011, Registrars to an issue and Share Transfer Agents are required to report the changes in their status or constitution. The same information has now been incorporated in the revised format of the report.
6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available on SEBI website (www.sebi.gov.in) under the categories "Legal Framework" and "Circulars".

K. SARAVANAN
Deputy General Manager

23 Reduction of Time-line for Transfer of Equity Shares and Prescription of Time-line for Transfer of Debt Securities.

Issued by the Securities and Exchange Board of India vide CIR/MIRSD/8/2012 dated 05.07.2012.]

1. The listing agreement for equity shares prescribed under the Securities Contracts (Regulation) Act, 1956 inter alia specifies a period of one month for registering transfer of shares from the date of lodgment.
2. With a view to expedite the transfer process in the interest of the investors, it has been decided, in

consultation with Registrars Association of India (RAIN), Stock Exchanges and market participants to reduce the time-line for registering the transfer of shares to 15 days. The same time-line shall also be applicable for transfer of debt securities.

3. Accordingly, all the recognized stock exchanges are directed
 - a. to amend Clauses 3 (c) and 12A(3) of the listing agreement for equity shares,
 - b. to amend Clauses 3(c) and 14(b) of the SME Equity listing agreement,
 - c. to incorporate the time-line of 15 days for transfer of debt securities and the provision for compensation of the opportunity losses caused during the period of delay in transfer, in the listing agreement for debt securities, on the lines of the existing provisions in the listing agreement for equity shares and SEBI Circular No. SMDRP/POLICY/CIR-46/2001 dated September 27, 2001,
 - d. to amend any other clauses as applicable in the above listing agreements.
4. All SEBI registered Registrars to an Issue and Share Transfer Agents are directed to adhere to the above time-lines for transfer of shares and debt securities.
5. In view of the above, the time-line for transfer of shares and / or provision for compensation for delay thereof, as referred to in SEBI Circulars No. RTI Circular No.1(2000-2001) dated May 09, 2001, SMDRP/POLICY/CIR-46/2001 dated September 27, 2001 and PMD/RRTI/NB/22463/2002 dated November 20, 2002 stand modified.
6. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets and shall come into force with effect from October 01, 2012.
7. This circular is available on SEBI website (www.sebi.gov.in) under the categories "Legal Framework" and "Circulars".

K. SARAVANAN
Deputy General Manager





Institute News



MEMBERS ADMITTED

Sl. No.	Name	Membership No.	Region
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FELLOWS*

1	Sh. Raj Ramachandran	FCS - 6839	SIRC
2	Sh. Subramanyam Palla	FCS - 6840	SIRC
3	Sh. Mohammad Raees Sheikh	FCS - 6841	WIRC
4	Ms. Suman Murarilal Sureka	FCS - 6842	WIRC
5	Ms. Nirupama C Verma	FCS - 6843	SIRC
6	Ms. K Madhavi	FCS - 6844	EIRC
7	Sh. Brijesh Kumar Maheshwari	FCS - 6845	NIRC
8	Ms. Priyanka Gopi	FCS - 6846	SIRC
9	Sh. Ashutosh Kumar Pandey	FCS - 6847	NIRC
10	Ms. Brinda Sanat Kumar Rawal	FCS - 6848	WIRC
11	Ms. Karunalaiaam Sheeba Nair	FCS - 6849	SIRC
12	Sh. Prabir Bandyopadhyay	FCS - 6850	EIRC
13	Ms. R Jalaja	FCS - 6851	SIRC
14	Sh. S Balakrishnan	FCS - 6852	SIRC
15	Sh. Santosh Kumar J.	FCS - 6853	SIRC
16	Ms. Maya Gupta	FCS - 6854	NIRC
17	Sh. Rohit Kumar Singh	FCS - 6855	WIRC
18	Sh. Ashish B Mishra	FCS - 6856	WIRC

* Admitted on 20th June, 29th June, 2012 and 10th July, 2012

An exclusive Interview of **CS Nesar Ahmad**, President, ICSI on JAI HIND TV



An exclusive interview with CS Nesar Ahmad, President, ICSI was telecast during the show **"Money Watch"** on 17th June, 2012 at 6.00 PM on JAI HIND TV.

Live Phone-in Programme with **President, ICSI** on Radio Channel **"FEVER 104 FM"**

A Live Phone-in Programme with CS Nesar Ahmad, President, ICSI on "Career as a Company Secretary" was broadcast on **Radio Channel "FEVER 104 FM"** during the Programme **"FEVER KI PAATHSHALA"** on 9th July 2012 from 3:00 PM to 4:00 PM.

Brand Building - Telecast / Broadcast of TV / Radio Spots on CS

With a view to creating Media Visibility for the CS Course & Profession, Spots on Company Secretaries Course were telecast / broadcast on ETV-Network (ETV-Gujarati, ETV-Urdu, ETV-Kannada, ETV-Oriya, ETV-Bengali & ETV-Marathi), TV9 / NTV / Aaj Tak / Tez / Delhi Aaj Tak / NDTV 24x7 / Puthiyathalamurai News / Star Anand / Fever 104 FM and Radio Mirchi 98.3 FM for brand building. CS Spots were aired from 22nd June 2012 and continued till 6th July 2012 for an activity period of 15 days.

The Spots were also hosted on the Homepage of ICSI website.

Links for TV/Radio Spots:

<http://www.youtube.com/watch?v=xblOfcoMCM0> (TV Spot)
<http://www.youtube.com/watch?v=HOa7R8a-8qs> (FM Radio Spot)

19	Sh. Vineet Sharma	FCS - 6857	EIRC
20	Sh. Neeraj Kumar Rai	FCS - 6858	WIRC
21	Sh. K. Ramasamy	FCS - 6859	SIRC
22	Sh. Sanjay Kumar Dhamija	FCS - 6860	NIRC
23	Sh. Parminder Pal Singh Rally	FCS - 6861	NIRC
24	Sh. Binu Kumar K.	FCS - 6862	SIRC
25	Sh. Rajesh Hadda	FCS - 6863	NIRC
26	Sh. Ashish Garg	FCS - 6864	NIRC
27	Sh. Sanjay Kumar	FCS - 6865	NIRC
28	Sh. Deepak Sharma	FCS - 6866	NIRC
29	Sh. Vishal Garg	FCS - 6867	NIRC
30	Sh. Vasanth Bajaj	FCS - 6868	SIRC
31	Sh. Ketan Vinayak Apte	FCS - 6869	WIRC
32	Mrs. Nidhi Chawla	FCS - 6870	NIRC
33	Sh. Pushpak Kumar	FCS - 6871	NIRC
34	Ms. Shailja Sharma	FCS - 6872	NIRC
35	Sh. Rajesh Mittal	FCS - 6873	EIRC
36	Ms. Deepa Krishnan	FCS - 6874	WIRC
37	Mrs. Shilpa Mahesh Bandre	FCS - 6875	WIRC
38	Sh. Vijay Babulal Shirode	FCS - 6876	WIRC
39	Sh. Mahendra Dani	FCS - 6877	NIRC
40	Ms. S P Himabindu	FCS - 6878	SIRC



41	Sh. Mukesh Goyal	FCS - 6879	NIRC	18	Ms. Vandana Jaiswal	ACS - 30442	NIRC
42	Ms. Parul Chanchal	FCS - 6880	NIRC	19	Ms. Ankita Srivastava	ACS - 30443	NIRC
43	Sh. S Dhanapal	FCS - 6881	SIRC	20	Ms. Shilpi Arora	ACS - 30444	NIRC
44	Sh. Dinakar K K.	FCS - 6882	SIRC	21	Mr. Harsh Agarwal	ACS - 30445	NIRC
45	Ms. Akanksha Kandoi	FCS - 6883	WIRC	22	Ms. Shilpa Gupta	ACS - 30446	NIRC
46	Sh. Saroj Kumar Sahoo	FCS - 6884	EIRC	23	Mr. Kalpit Khandelwal	ACS - 30447	NIRC
47	Ms. Sandhya Kothlapuram	FCS - 6885	SIRC	24	Ms. Yachika Bhatia	ACS - 30448	NIRC
48	Sh. Prodyut Banerjee	FCS - 6886	EIRC	25	Mr. Sumit Chandhok	ACS - 30449	NIRC
49	Sh Jatin Mahajan	FCS - 6887	NIRC	26	Mr. Dhaval Pradip Davey	ACS - 30450	SIRC
50	Sh. S Ravi Shankar	FCS - 6888	SIRC	27	Ms. T Mohana Viritha Bhavani	ACS - 30451	SIRC
51	Ms. Bharathi Kanuj	FCS - 6889	NIRC	28	Ms. Jayashree C O	ACS - 30452	SIRC
52	Sh. Jitesh Kumar Agarwal	FCS - 6890	WIRC	29	Mr. Lakshmeenarayan Nayak	ACS - 30453	SIRC
53	Ms Gunjan Saxena	FCS - 6891	WIRC	30	Ms. Kalpita Saurabh Patki	ACS - 30454	WIRC
54	Sh. Manish Dhingra	FCS - 6892	NIRC	31	Mr. Abhijeet Shivprakash Singh	ACS - 30455	WIRC
55	Ms. Shilpa K. Shah	FCS - 6893	WIRC	32	Ms. Khusboo Agarwal	ACS - 30456	EIRC
56	Sh. Nareshchandra V Shah	FCS - 6894	WIRC	33	Ms. Khushbu Kishangopal Tantia	ACS - 30457	WIRC
57	Sh. Deepak Juneja	FCS - 6895	NIRC	34	Mr. Nirav Vasant Mehta	ACS - 30458	WIRC
58	Sh. Aishwarya Mohan Gahrana	FCS - 6896	NIRC	35	Mr. Achal Sureshchandra Thakkar	ACS - 30459	WIRC
59	Sh. Devesh Khandelwal	FCS - 6897	WIRC	36	Ms. Kajal Himatlal Mehta	ACS - 30460	WIRC
60	Sh. Manoj Narayanan Nair	FCS - 6898	WIRC	37	Ms. Nikita Ashwin Timbadia	ACS - 30461	WIRC
61	Sh. Mayank Arora	FCS - 6899	WIRC	38	Ms. Megha Kalpesh Dave	ACS - 30462	WIRC
62	Sh. Ashique Areepattamannil	FCS - 6900	SIRC	39	Ms. Swati Sunil Talgaonkar	ACS - 30463	WIRC
63	Sh. Dhananjay Karmakar	FCS - 6901	EIRC	40	Mr. Umang Bharat Patel	ACS - 30464	WIRC
64	Sh. Nitin Mehrotra	FCS - 6902	NIRC	41	Ms. Nidhi Anand Thakkar	ACS - 30465	WIRC
65	Ms. Shilpa Bhaskar Deshmukh	FCS - 6903	WIRC	42	Ms. Nehal Rawat	ACS - 30466	WIRC
66	Ms Meetu Shree Agarwal	FCS - 6904	EIRC	43	Ms. Deepashree Sandeep Godbole	ACS - 30467	WIRC
67	Ms Ankita Khandelwal	FCS - 6905	WIRC	44	Ms. Vrushali Deepak Solanki	ACS - 30468	WIRC
68	Sh. Gouri Shanker Mishra	FCS - 6906	SIRC	45	Ms. Ruchita Shantilal Chopra	ACS - 30469	WIRC
69	Ms. Ritu Patwari	FCS - 6907	EIRC	46	Ms. Pinky Lalwani	ACS - 30470	WIRC
70	Sh Navneet Rastogi	FCS - 6908	NIRC	47	Mr. Subramanian S	ACS - 30471	WIRC
71	Sh. A K Srivastav	FCS - 6909	NIRC	48	Ms. Varsha Patil	ACS - 30472	SIRC
72	Sh. Ganesh C Venkatnarayan	FCS - 6910	WIRC	49	Mr. Nilay Kumar Aich	ACS - 30473	EIRC
73	Mrs. Sonia Bhimrajka	FCS - 6911	NIRC	50	Ms. Moumita Mitra	ACS - 30474	NIRC
74	Ms. Shruti Jain	FCS - 6912	WIRC	51	Ms. Namita Vemulakonda	ACS - 30475	SIRC
75	Sh. Vikas Rungta	FCS - 6913	NIRC	52	Mr. Srinivasa Ayyappa Koppuravuri	ACS - 30476	SIRC
76	Sh Jaganmohan Gupta Chalavadi	FCS - 6914	SIRC	53	Ms. Dipti Kothari	ACS - 30477	WIRC
77	Sh Neeraj Srivastava	FCS - 6915	NIRC	54	Ms. Kinjal Dharmesh Padrakar	ACS - 30478	WIRC
78	Sh. Murali Kanniyath	FCS - 6916	SIRC	55	Mr. Balakrishnan Jayaram Kolavelly	ACS - 30479	SIRC
79	Sh. Nilesh Krishnakant Mehta	FCS - 6917	WIRC	56	Ms. Manisha Pradeep Gaikwad	ACS - 30480	WIRC
80	Sh. Rohit Patoria	FCS - 6918	WIRC	57	Ms. Meenakshi Sharma	ACS - 30481	NIRC

ASSOCIATES*

1	Ms. Nidhi Agarwal	ACS - 30425	EIRC	58	Mr. Biswajit Adhya	ACS - 30482	EIRC
2	Mr. Atul Kumar	ACS - 30426	NIRC	59	Mr. Sumit Jaiswal	ACS - 30483	EIRC
3	Mr. Shalin Mukeshkumar Jain	ACS - 30427	WIRC	60	Mr. Ashwani Ladha	ACS - 30484	EIRC
4	Mrs. Shilpa Sethi	ACS - 30428	WIRC	61	Ms. Ankita Banerjee	ACS - 30485	EIRC
5	Mr. Mohit Agarwal	ACS - 30429	NIRC	62	Ms. Nisha Khater	ACS - 30486	EIRC
6	Mrs. Khushbu Vivek Agarwal	ACS - 30430	WIRC	63	Mr. Amar Bahadur Singh	ACS - 30487	WIRC
7	Ms. Margi Hindia	ACS - 30431	WIRC	64	Ms. Shweta Kandoi	ACS - 30488	NIRC
8	Ms. Malvika Saini	ACS - 30432	EIRC	65	Ms. Gayatri Gopinath	ACS - 30489	NIRC
9	Mr. C Prabhakar	ACS - 30433	SIRC	66	Mr. Vaibhav Gupta	ACS - 30490	NIRC
10	Mr. Kamal Kishore Lahoty	ACS - 30434	WIRC	67	Ms. Radhika Pawan Dammani	ACS - 30491	WIRC
11	Ms. Bishakha Chakraborty	ACS - 30435	WIRC	68	Ms. Deepika Uniyal	ACS - 30492	NIRC
12	Ms. Sunanda Bhattacharya	ACS - 30436	EIRC	69	Ms. Richa Bhamotra	ACS - 30493	NIRC
13	Ms. Bhagwati Agarwal	ACS - 30437	EIRC	70	Mr. Sanjay Kumar Tiwari	ACS - 30494	NIRC
14	Ms. Shreya Bhandari	ACS - 30438	NIRC	71	Ms. Vidhi Thukral	ACS - 30495	NIRC
15	Ms. Vinita Chechani	ACS - 30439	NIRC	72	Mr. Varun Kumar Prabhakar	ACS - 30496	NIRC
16	Mr. Vishal Soni	ACS - 30440	NIRC	73	Mr. Aadhar Sharma	ACS - 30497	WIRC
17	Ms. Amisha Chaturvedi	ACS - 30441	NIRC	74	Mr. Ram Kumar Mishra	ACS - 30498	NIRC

* Admitted on 20th June, 29th June, 2012 and 10th July, 2012

**RESTORED***



24. Ms. Bani Ahuja	ACS - 24580	NIRC	3 Mr. Puneet Kumar Pandey	ACS - 29848	10913	NIRC
25. Ms. Swarna Niranjana	ACS - 15005	SIRC	4 Ms. Ruchi Gupta	ACS - 29477	10914	NIRC
26. Sh. Navin Chandra Asthana	FCS - 3042	WIRC	5 Ms. Abha Nanda	FCS - 3272	10915	NIRC
27. Sh. Varun Bhatia	ACS - 17444	NIRC	6 Mr. Uday Sohoni	ACS - 29359	10916	WIRC
28. Sh. Neeraj Marwaha	ACS - 19143	NIRC	7 Sh. Raj Kamal Saraogi	FCS - 3152	10917	NIRC
29. Sh. Nirmal Kumar Gangwal	ACS - 4701	WIRC	8 Mr. Shashi Shekhar	ACS - 30145	10918	NIRC
30. Sh. Devajit Sengupta	ACS - 13497	EIRC	9 Ms. Rakhi Jain	ACS - 20706	10919	EIRC
31. Sh. R Krishnan	ACS - 11514	SIRC	10 Ms. Sarita Bhatt	ACS - 30115	10920	NIRC
32. Sh. Manoj Baid	ACS - 18259	EIRC	11 Mr. B Chagan Lal	ACS - 30194	10921	SIRC
33. Sh. Rakesh Sharma	ACS - 17666	NIRC	12 Sh. G Ramakrishna	ACS - 6550	10922	SIRC
34. Sh. Prakashpandya	FCS - 2848	WIRC/ FORIEGN	13 Ms. Avani Suresh Popat	ACS - 27774	10923	WIRC
35. Sh. S Vasu	ACS - 15225	SIRC	14 Ms. Pallavi Sandhir	ACS - 29892	10924	NIRC
36. Sh. S Tharmarajan	ACS - 2573	SIRC	15 Ms. Neha Anchalia	ACS - 28504	10925	NIRC
37. Capt Neela Kandan M.	ACS - 19105	SIRC	16 Ms. Somina Jain	ACS - 18576	10926	NIRC
38. Sh. Pawan Kumar Gupta	ACS - 15252	WIRC	17 Ms. Ekta Sharma	ACS - 29344	10927	EIRC
39. Ms. Ranjana V Mudholkar	FCS - 4492	NIRC	18 Ms. Garima Gupta	FCS - 6228	10928	NIRC
40. Ms. Sonika Mehta	ACS - 19947	NIRC	19 Sh. Nandan Kumar Ghosh	ACS - 6867	10929	EIRC
41. Sh. Amit Singh Chauhan	ACS - 16723	SIRC	20 Ms. Rubina Vohra	ACS - 30312	10930	NIRC
42. Sh. Rikki Anand	ACS - 17155	NIRC	21 Ms. Anushri Lahoti	ACS - 30313	10931	WIRC
43. Sh. V Shankar	ACS - 5872	NIRC	22 Ms. Deepika Jain	ACS - 23632	10932	NIRC
44. Sh. Rajendra Kr. Chotia	ACS - 17841	EIRC	23 Mr. Sumit Mutha	ACS - 30341	10933	NIRC
45. Ms. Charul Gupta	ACS - 16161	WIRC	24 Sh. Jatin Chadha	ACS - 29896	10934	NIRC
46. Sh. Ranjeet Singh	ACS - 17809	NIRC	25 Ms. Sailee Krishna Pathak	ACS - 30330	10935	WIRC
47. Sh. Sujeet Kumar Yadav	ACS - 20412	NIRC	26 Ms. Preeti Saxena	ACS - 27811	10936	NIRC
48. Sh. Vikas Kumar Garg	ACS - 16715	NIRC	27 Mr. Naveen Shree Pandey	ACS - 29126	10937	NIRC
49. Sh. Manish Kulhary	ACS - 19264	NIRC	28 Ms. Supreet Kaur Rekhi	ACS - 29545	10938	NIRC
50. Ms. Surbhi Modi	ACS - 27002	NIRC	29 Mr. Trilok Chand Garg	ACS - 30019	10939	NIRC
51. Ms. Garima Agarwal	ACS - 21616	NIRC	30 Mr. Narayanlal Fatelal Shah	ACS - 30225	10940	WIRC
52. Sh. Danny Samuel	ACS - 16016	NIRC	31 Mr. Nikhil Kalra	ACS - 30289	10941	NIRC
53. Ms. Kamakshi Krishnan	ACS - 25552	SIRC	32 Ms. Swati Gupta	ACS - 29075	10942	NIRC
54. Sh. Aitipamula Aravind	ACS - 17783	SIRC	33 Mr. Parmal Singh	ACS - 30302	10943	NIRC
55. Sh. Sharad Mamidi	ACS - 18567	SIRC	34 Mrs. Natasha Chaudhary	ACS - 29818	10944	NIRC
56. Sh. Ravi Somani	ACS - 22929	NIRC	35 Mr. Ganesh Datt	ACS - 26581	10945	NIRC
57. Sh. Jinesh Jyotindra Shah	ACS - 15630	WIRC	36 Mr. Pankaj Kamalakar			
58. Sh. Nambiar P Balakrishnan	FCS - 2853	SIRC	Pendse	ACS - 30142	10946	WIRC
59. Sh. Atul Mittal	FCS - 3379	NIRC	37 Ms. Dipika Shaileshkumar			
			Soni	ACS - 30221	10947	WIRC
			38 Ms. Arunima	ACS - 29548	10948	SIRC
			39 Sh. Supreeth Hegde	ACS - 30187	10949	SIRC
			40 Ms. Priya Wason	ACS - 29815	10950	NIRC
			41 Sh. Suraj Thapar	ACS - 29585	10951	NIRC
			42 Mrs. Meenakshi Gupta	ACS - 30193	10952	NIRC
			43 Mr. Amit Sharma	ACS - 29979	10953	NIRC
			44 Ms. Reshma Shukla	ACS - 27717	10954	EIRC
			45 Mr. Anoop Kumar Jain	ACS - 30202	10955	WIRC

CERTIFICATE OF PRACTICE

Sl. No.	Name	ACS/FCS No.	C P No.	Region
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ISSUED*

1	Ms. Madhura Kiran Ubale	ACS - 29734	10911	WIRC
2	Mrs. Samprada Satish Kharat	ACS - 27399	10912	WIRC

* During the month of June, 2012



News from the Institute

46	Mr. Pawan Dalmia	ACS - 30079	10956	EIRC	85	Ms. Shraddha Shukla	ACS - 24773	10995	NIRC
47	Sh. K Srinivasan	ACS - 2714	10957	SIRC	86	Mr. Paramjeet Singh Batra	ACS - 30109	10996	NIRC
48	Ms. Shailvi Agarwal	ACS - 30038	10958	NIRC	87	Mr. Ajeet Singh Verma	ACS - 30102	10997	NIRC
49	Mrs. Sonal Vinay Bilala	ACS - 27682	10959	WIRC	88	Ms. Aditi Pethkar	ACS - 29649	10998	WIRC
50	Ms. Shweta Prathamesh Badgujar	ACS - 25072	10960	WIRC	89	Mr. Adit Bhuvra	ACS - 29660	10999	SIRC
51	Mr. Rohit Mahansaria	ACS - 30052	10961	EIRC	90	Mr. Mohit Khanna	ACS - 30262	11000	NIRC
52	Mrs. Shefali Mittal	ACS - 28641	10962	NIRC	91	Ms. Shweta Akash Gokarn	ACS - 30393	11001	WIRC
53	Mr. Vinay Omprakash Chandak	ACS - 30359	10963	WIRC	92	Ms. Bhagwati Sharma	ACS - 29504	11002	EIRC
54	Ms. Rama Subramanian	ACS - 15923	10964	WIRC	93	Sh. R Padmanabhan	FCS - 6119	11003	SIRC
55	Ms. Archana Alok Goyal	ACS - 16004	10965	WIRC	94	Sh. Parameshwar G Bhat	ACS - 25167	11004	SIRC
56	Sh. Rajesh Dwarka Sharma	ACS - 27936	10966	SIRC	95	Sh. Yogesh Laxmichand Chhunchha	ACS - 23657	11005	WIRC
57	Mr. Prasad Suresh More	ACS - 29693	10967	WIRC	96	Ms. Neha Bajaj	ACS - 27969	11006	NIRC
58	Ms. Renu Rai	ACS - 29382	10968	NIRC	97	Sh. Maneck Jal Kotwal	FCS - 814	11007	WIRC
59	Mr. Sidharth Sharma	ACS - 30367	10969	NIRC	98	Ms. Rinki	ACS - 29799	11008	NIRC
60	Sh. Devang Maheshkumar Vyas	FCS - 6787	10970	WIRC	99	Mr. Vishal Rameshbhai Gokani	ACS - 29244	11009	WIRC
61	Ms. Archishma Nareshbhai Amin	ACS - 30200	10971	WIRC	100	Sh. Ashish Kumar Dhandhanya	ACS - 29105	11010	EIRC
62	Mr. Jayram Vachhani	ACS - 30232	10972	WIRC	101	Ms. Simpy Bhatia	ACS - 30100	11011	WIRC
63	Ms. Sakshi Vashisth	ACS - 30348	10973	NIRC	102	Ms. Komal Khadaria	ACS - 30230	11012	WIRC
64	Ms. Kanika Nevatia	ACS - 29680	10974	NIRC	103	Ms. Pallvi Jindal	ACS - 29231	11013	NIRC
65	Ms. Nibedita Mahapatra	ACS - 30293	10975	EIRC	104	Ms. Payal Singh	ACS - 13745	11015	NIRC
66	Ms. Anushree Agarwal	ACS - 25243	10976	EIRC	105	Ms. Shubhangi Venkatesh Baichwal	ACS - 30181	11016	WIRC
67	Ms. Vanita Arora	ACS - 30408	10977	NIRC	106	Mr. Kapil	ACS - 29508	11017	NIRC
68	Ms. Monali Kumar Shah	ACS - 30065	10978	WIRC	107	Ms. Ayushi Abhay	ACS - 28674	11018	WIRC
69	Ms. Dhara Rameshbhai Patel	ACS - 29198	10979	WIRC	108	Mr. Ashutosh Bhatt	ACS - 30231	11019	WIRC
70	Ms. Malati Anil Kumar	ACS - 15508	10980	WIRC	109	Mr. Rohit Anil Ghaisas	ACS - 30073	11020	WIRC
71	Ms. Mansi Sachdeva	ACS - 29488	10981	NIRC	110	Mr. Jigarkumar Dilipbhai Thakkar	ACS - 30419	11021	WIRC
72	Ms. Charu Lata Seth	ACS - 28322	10982	EIRC	111	Mr. Esaki V	ACS - 30353	11022	SIRC
73	Sh. Padmakar Manjunath Rao	FCS - 2677	10983	WIRC	112	Ms. Sweta Rungta	ACS - 29343	11023	EIRC
74	Ms. Shridhi Jain	ACS - 26644	10984	NIRC	113	Mr. Love Kumar	ACS - 29471	11024	NIRC
75	Mr. Devansh Garg	ACS - 30288	10985	NIRC	114	Ms. Niralee Shah	ACS - 29885	11025	SIRC
76	Sh. Anand Verma	ACS - 20854	10986	NIRC	115	Ms. Amreen Khan	ACS - 23631	11026	WIRC
77	Ms. Dipti Vilas Ghodekar	ACS - 28786	10987	WIRC	116	Mr. Atul Kumar	ACS - 29927	11027	NIRC
78	Mr. Narendar Kumar Singh	ACS - 29144	10988	EIRC	117	Sh. Shailesh Kumar	ACS - 29564	11028	EIRC
79	Sh Vicky Madhavdas Kundaliya	ACS - 20501	10989	WIRC	118	Ms. Dipti Narendra Gohil	ACS - 14736	11029	WIRC
80	Sh. Ajit Kumar	ACS - 22741	10990	NIRC	119	Sh. Rahul Balraj Thakwani	ACS - 30235	11030	WIRC
81	Sh. Sreedhara Konda	ACS - 24533	10991	SIRC	120	Ms. Manisha Maheshwari	ACS - 30224	11031	WIRC
82	Mr. Pravin Appasaheb Ningnure	ACS - 30399	10992	WIRC	121	Mr. Harshal Arun Nasikkar	ACS - 28767	11032	WIRC
83	Ms. Vedvati Deepak Bhangaonkar	ACS - 28726	10993	WIRC	CANCELLED*				
84	Ms. Manisha Agarwal	ACS - 29621	10994	EIRC	1.	Ms. Deepali Srivastava	ACS - 26084	10594	NIRC
					2.	Sh. Jigar Kamlesh Vyas	ACS - 25139	10436	WIRC



3.	Ms. Poornima Kishore	ACS - 24462	8821	NIRC
4.	Sh. Dhanindra Nath Sinha	ACS - 3896	1676	EIRC
5.	Ms. Ankita Jain	ACS - 22894	8410	WIRC
6.	Ms. Subhasree G	ACS - 21014	7727	SIRC
7.	Sh. J.S. Paul	ACS - 2415	10564	EIRC
8.	Ms. Priya Aggarwal	ACS - 22212	10225	NIRC
9.	Ms. Radhika Anand	ACS - 27696	10860	NIRC
10.	Sh. Atul Sharma	ACS - 22763	8939	NIRC
11.	Sh. Rao Ajit Mohan	ACS - 3197	7791	WIRC
12.	Sh. Raman Deep Bhatt	ACS - 26055	9845	NIRC
13.	Sh. Pawan Kumar Kaushik	ACS - 27522	10770	NIRC
14.	Sh. Amit Dev	ACS - 27640	9935	NIRC
15.	Sh. Santanu Kumar Hazra	ACS - 27329	10109	EIRC
16.	Sh. Manutosh	ACS - 16831	7315	NIRC
17.	Ms. Kalpana Singhal	ACS-19490	10662	NIRC
18.	Ms. Sunaina Jhingan	ACS-24249	10631	NIRC
19.	Sh. Ashok Kumar Shukla	ACS - 29673	10726	NIRC

LICENTIATE ICSI

Sl. No.	Name	Licentiate No.	Region
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ADMITTED**

1.	Sh. M Kalichamy	6376	SOUTH
2.	Sh. Amit Agarwal	6377	EAST
3.	Sh. Aditya Mannaru	6378	SOUTH
4.	Sh. Pankaj Kumar Agarwal	6379	EAST
5.	Ms. J Sudha Rani	6380	SOUTH
6.	Sh. Solomon B	6381	NORTH
7.	Sh. S Kumar Srivatsan	6382	SOUTH
8.	Sh. Sourav Garg	6383	NORTH
9.	Ms. C Vaidehi	6384	SOUTH
10.	Sh. Ramanujam M S	6385	SOUTH
11.	Sh. Rakesh Kailash Gaikwad	6386	WEST
12.	Sh. Rahul Maheshwari	6387	NORTH
13.	Ms. Payal Bafna	6388	WEST
14.	N Ganesh	6389	SOUTH
15.	Ms. Hirini Vijayakumar	6370	SOUTH
16.	Sh. Saravana Raja K.	6371	SOUTH
17.	Sh. Ankit Mittal	6372	NORTH
18.	Sh. Ankit Kamlesh Gadia	6373	WEST
19.	Ms. Meetu Jain	6374	NORTH
20.	Sh. Lovneesh	6375	NORTH

PAYMENT OF ANNUAL MEMBERSHIP AND CERTIFICATE OF PRACTICE FEE FOR THE YEAR 2012-13

The annual membership fee and certificate of practice fee for the year 2012-13 **became due for payment w.e.f. 1st April, 2012. The last date for payment of fee was 30th June 2012 which has now been extended upto 31st August, 2012.**

The membership and Certificate of Practice fee is as follows:-

- | | |
|--|----------------------|
| 1] Annual Associate Membership fee | Rs. 1125/- |
| 2] Annual Fellow Membership fee | Rs. 1500/- |
| 3] Annual Certificate of Practice fee | Rs. 1000/-(*) |

** The certificate of practice fee must be accompanied by a declaration in form D duly completed in all respects and signed. The requisite form 'D' is available on the website of Institute www.icsi.edu and also published elsewhere in this issue.*

Mode of Remittance of Fee

The fee can be remitted by way of :

- On-Line (through payment Gateway of the Institute's website (www.icsi.in)) by following the steps given below:-
 - Go to the portal www.icsi.in <http://www.icsi.in>
 - Login in to your profile by selecting the option Membership -- > Associate/Fellow
 - Enter your Membership number in the box provided.
 - Enter your password in the box provided (Click on Reset if creating for the first time)
 - After Logging in click on the link 'Annual membership Fee'
 - Click on Proceed for Payment button for payment through online payment gateway.
 - Keep the generated acknowledgement for future reference and record.
- Credit card at the Institute's Headquarter at Lodi Road, New Delhi or Regional Offices located at Kolkata, New Delhi, Chennai and Mumbai.
- Cash/ local cheque drawn in favour of **'The Institute of Company Secretaries of India'**, payable at New Delhi at the Institute's Headquarter or Regional/Chapter Offices located at Kolkata, New Delhi, Chennai, Mumbai and Chandigarh, Jaipur, Bangalore, Hyderabad, Ahmedabad, Pune respectively. Out Station cheques will not be accepted. However, at par cheques will be accepted.
- Demand draft / Pay order drawn in favour of **'The Institute of Company Secretaries of India'**, payable at New Delhi (indicating on the reverse name and membership number).

For queries, if any,

the members may please contact Mr. D.D. Garg, Desk Officer or Mrs. Vanitha Dhanesh on telephone Nos. 011-45341062/64 or Mobile No. 9868128682 / through e-mail ids: annualfee@icsi.edu, cp@icsi.edu

APPLICATION FOR THE ISSUE/RENEWAL/RESTORATION* OF CERTIFICATE OF PRACTICE

See Reg. 10, 13 & 14

To
The Secretary to the Council of
The Institute of Company Secretaries of India
'ICSI HOUSE', 22, Institutional Area,
Lodi Road, New Delhi - 110 003

Sir,

I furnish below my particulars

- (i) Membership Number FCS/ACS:
- (ii) Name in full:
(in block letters) Surname Name
- (iii) Date of Birth:
- (iv) Professional Address:
- (v) Phone Nos. (Resi.) (Off.)
- (vi) Mobile No Email id
- (vii) Additions to or change in qualifications, if any:
1. Submitted for (tick whichever is applicable):
(a) Issue (b) Renewal (c) Restoration
2. (a) Particulars of Certificate of Practice issued / surrendered/Cancelled earlier

Sl. No	Certificate of Practice No.	Date of issue of CP	Date of surrender / Cancellation of CP

3. i. I state that I am/shall be engaged in the profession of Company Secretary only on whole-time basis and not in any other profession, business, occupation or employment. I am not enrolled as an Advocate on the rolls of any Bar Council and do not hold certificate of practice from any professional body including ICAI and the ICWAI.
- ii. I state that as and when I cease to be in practice, I shall duly inform the Council and shall surrender forthwith the certificate of practice as required by the Company Secretaries Act, 1980, and the regulations made thereunder, as amended from time to time.
- iii. I hereby undertake that, I shall adhere to the mandatory ceiling of not more than eighty companies in aggregate in a calendar year in terms of the **Guidelines for Issuing Compliance Certificate and Signing of Annual Return** issued by the Institute on 27th November, 2007.
- iv. I state that I have issued / did not issue advertisements during the year 20 - in accordance with the **Guidelines for Advertisement by Company Secretary in Practice** issued by the Institute*.
- v. I state that I issued Corporate Governance compliance certificates under Clause 49 of the listing agreement during the year 20 -*
- vi. I state that I have / have not undertaken Audits under Section 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 during the year 20 -*
- vii. I state that I have / have not maintained a register of attestation/certification services rendered by me/my firm in accordance with the **Guidelines for Requirement of Maintenance of a Register of Attestation/Certification Services Rendered by Practising Company Secretary/Firm of Practising Company Secretaries** issued by the Institute. *
4. I send herewith Bank draft drawn on Bank Branch bearing No for Rs towards annual certificate of practice fee for the year ending 31st March *
5. I further declare that the particulars furnished above are true and correct.

Yours faithfully,

(Signature)

Place:

Encl.

Date:

* Applicable in case of renewal or restoration of Certificate of Practice



List of Companies Registered for Imparting Training During the Month of June 2012

Region	Training Period	Stipend (Rs.)
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Eastern

Neotia Healthcare Initiative Ltd. Vishwakarma ,86c Topsia Road (S), Kolkata-700046	15 Months & 3 Months Pt Training	3500/-
Lumino Industries Ltd. Usha Kiran, 12 A Camac Street Room No.5a, 5th Floor, Kolkata 700017 <i>lumino@lascercables.com</i>	15 Months Training	3500/-
Topsia Estates Pvt. Ltd. Suite No.4001, Raj Chambers, 7b, Justice Dwarkanath Road, Kolkata - 700020 <i>raju@topsia.net</i>	15 Months Training	3500/-
Kailashi Tar Pvt. Ltd. Jalan Industrial Complex Village, Sankaridaha P.O. Begri, Howrah 711411 <i>kailashitarpvtltd@hotmail.com</i>	15 Months	3500/-
D M Fabrics Pvt. Ltd. P 10 New Howrah Bridge Approach Road, Amar Bhawan 3rd Floor, Kolkata - 700001 <i>fabricsdm@gmail.com</i>	15 Months Training	3500/-
Tuff Tubes Pvt. Ltd. B.K.Tower 170/A, A.J.C Bose Road 4th Floor, Kolkata-700014 <i>info@tufftubes.com</i>	15 Months Training	3500/-
Vibgyor Allied Infrastructure Ltd. 46 D Rafi Ahmed Kidwai Road, Satyam Building 6th Floor, Kolkata -700016 <i>Vbr.grp@gmail.com</i>	15 Months & 3 Months Pt Training	3500/-

Northern

Saraya Industries Ltd. 309, D-2, Southern Park, Saket Place, New Delhi 110017	5 Months Training	3500/-
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Johnson Matthey Chemicals India Pvt. Ltd. 6th Floor, Tower -B, Global Business Park, Mehrauli Gurgaon Road Gurgaon- 122002	15 Months & 3 Months Pt Training	3500/-
Zinc Cochin Hotel Pvt. Ltd. 304 Empire Apartments Sultanpur, M.G.Road New Delhi 110030	15 Months Training	3500/-
Feedback Infrastructure Services Pvt. Ltd. 15th Floor, Tower 9b, Dlf Cyber City Phase III Gurgaon 122002 <i>inquiries@feedbackinfra.com</i>	15 Months Training	3500/-
Yatra Online Pvt. Ltd. 1101-03,11th Floor,Tower -B, Unitech Cyber Park Sector-39 Gurgaon-122002 (Haryana) <i>darpan.batra@yatra.com</i>	15 Months & 3 Months Pt Training	3500/-
Apj-Slg Law Offices (Corporate Team) D-77, Defence Colony, New Delhi 110024 <i>litigation@apjslg.com</i>	06 Months Training	3500/-
Patel Wood Products Ltd. 1/92 W.H.S. Kirti Nagar, New Delhi 110015	15 Months Training	3500/-
Buena Vista Resorts Pvt. Ltd. Flat No.103/9 Allied Bhawan, L.S.C. Madangir, New Delhi 110062 <i>accounts@jlb tours.com</i>	15 Months Training	3500/-
Protiviti Consulting Pvt. Ltd. 15th Floor, Tower A, DLF Building No.5, DLF Phase III, DLF Cyber City Gurgaon 122002	15 Months	3500/-
Arkay International Finsec Ltd. C-11 Raja Park Jaipur 302004	15 Months Training	3500/-
Som Construction & Developers Ltd. 196 Satya Niketan New Delhi 110021 <i>satinderpal20@gmail.com</i>	15 Months Training	3500/-
Assotech Ltd. 148-F , Pocket IV Mayur Vihar -I Delhi-110001 <i>mail@assotechlimited.com</i>	15 Months Training	3500/-



News from the Institute

Cargill India Pvt. Ltd.
14th Floor Building 9 A
DLF Cyber City Phase-III
Gurgaon-122002

15 Months &
3 Months
Pt Training 3500/-

Avantha Power & Infrastructure Ltd.
7th Floor Vatika City Point
Mehrauli Gurgaon Road
Gurgaon -122002

15 Months
Training 3500/-

Southern

Puducherry Distilleries Ltd.
(A Govt. Of Puducherry Undertaking)
Ariyalayam, Vitanur -605110

3 Months
Pt Training 3500/-

Disa India Ltd.
No.1a, 3rd Floor
Kushal Garden Arcade
Peenya Industrial Area,
2nd Phase, Bangalore 560058
disatech@disagroup.com

15 Months
Training 3500/-

Caravel Logistics Pvt. Ltd.
Pantheon Plaza
484 IIRD Floor, Pantheon Road, Egmore
Chennai 600008
tomjose@caravellogistics.com

15 Months
Training 3500/-

Chemmanur Credits & Investments Ltd.
West Fort Junction, Thrissur 680004
radhakrishnan.c@chemmanurcredits.com

15 Months
Training 3500/-

Cooper Bussmann India Pvt.Ltd.
No.2 Evr Street, Sedarapet
Pondicherry-605111

15 Months
Training 3500/-

Sujana Metal Products Ltd.
41 Nagarjuna Hills, Panjagutta
Hyderabad 500082
info.smpl@sujana.com

15 Months
Training 3500/-

Parakh Mangement System Pvt. Ltd.
501 Sahjanand
Shopping Centre, Shahibaug
Ahmedabad 380004
cappl@gmail.com

15 Months &
3 Months
Pt Training 3500/-

Zf Wind Power Coimbatore Ltd.
Plot No.3, Hi Tech Engineering And
Services Sector Sez
Karumathampatty &
Kittampalayam Village
Annur Road, District
Coimbatore -641659
info.coimbatore@zf.com

15 Months
Training 3500/-

Marvell India Pvt. Ltd.
23, li Floor , Leela Galleria
Hal Airport Road,, Bangalore 56000

15 Months
Training 3500/-

Anthem Biosciences Pvt. Ltd.
49 Canara Bank Road
Bommasandra Industrial Area
Phase I Hosur Road
Bangalore - 560099
ramkrishnan.k@anthembio.com

15 Months
Training 3500/-

Western

Bothra Metals And Alloys Ltd.
140I(222d), 1st Floor, Room No.6
Cavel X Lane No.7, Dr.Viegas Street
Kalbadevi Road, Mumbai

15 Months
Training 3500/-

Mata Securities India Pvt. Ltd.
E-29 Dhanraj Mahal,
2nd Floor, Chatrapati,
Shivaji Marg, Apollo Bunder ,Colaba
Mumbai 400001

15 Months
& 3 Months
Pt Training 3500/-

Nelco Ltd.
Electronics Zone,
Midc, Mahape, Navi Mumbai 400710

15 Months
Training 3500/-

Raj Petro Specialities Pvt. Ltd.
Mumbai 124 G.D.Ambedkar Marg,
Kalachowky, Cotton Green(W)
Mumbai 400033
pamumbai@rajgrp.com

15 Months
Training 3500/-

Gujarat Themis Biosyn Ltd.
69/C, Gidc Industrial Estate
Vapi Gujarat -396195 Dist.Valsad,
gtblmumbai@gtbl.in

15 Months
Training 3500/-

Gujarat Venture Finance Ltd.
1st Floor, Premchand House Annexe
B/H Popular House, Ashram Road,
Ahmedabad 380009, Gujarat
ceo@gvfl.com

15 Months
Training 3500/-

Geltec Pvt. Ltd.
Capsulation Premises,
Deonar, Sion Trmbay Road
Mumbai 400088
mail@geltec.in

15 Months &
3 Months
Pt Training 3500/-

STCI Primary Dealer Ltd.
A/B1-801(A Wing), 8th Floor,
Marathon Innova, Marathon Nextgen
Compound, Off Ganpatrao
Kadam Marg, Lower Parel (W)
Mumbai-400013

15 Months
Training 3500/-

Sarthak Global Ltd.
706, Tulsiani Chambers,
Nariman Point,
Mumbai-400021
sgl@sarthakglobal.com

15 Months
& 3 Months
Pt Training 3500/-



BSR Superspeciality Hospitals Ltd. Smriti Nagar, Junwani Road, Bhilai (C.G.) Pin No.490020	15 Months Training	3500/-	MS. PRIYANKA LOHIA Company Secretary In Practice 64, Beadon Street Kolkata -700 006	PCSA -3014
Kesar Motels Pvt. Ltd. Plot No.C 4/6 Old N.H.8 G I D C Ankleshwar 393002 <i>englps@lordshotels.com</i>	15 Months Training	3500/-	MR. PIYUSH KATARIYA Company Secretary In Practice So-31, Amar Jyoti Palace Near Lokmat Sq, Wardha, Dhantoli Nagpur - 440 012	PCSA -3015
Hov Services Ltd. 3rd Floor, Sharda Arcade Pune Satara Road, Bibwewadi, Pune - 411037	3 Months Pt Training	3500/-	MR. ASHWIN J. PATEL Company Secretary In Practice B- 202, Silver Star, Opp. Kirti Platinum Chandlodia - Gota Road, Chandlodia Ahmedabad 382 481	PCSA -3016
Sobhagya Capitaloptions Ltd. 306, Shiv Smriti, 49a Dr.Annie Besant Road, Worli, Mumbai 400018 <i>mumbai@sobhagyacap.com</i>	15months & 3 Months Pt Training	3500/-	MR. BALDEV DUDEA Company Secretary In Practice National College Building, Naya Sarafa (Danaoli) Gwlir - 474 001	PCSA -3017
CTR Manufacturing Industries Ltd. Nagar Road, Pune 411014	15 Months Training	3500/-	MR. PREMESIS BHAUMIK Company Secretary In Practice P-231, Unique Park, Behala Kolkata - 700034	PCSA -3018
			MR. AMBREESH SRIVASTAVA Company Secretary In Practice 2/485, Azad Nagar, Kanpur - 208 002	PCSA -3019

List of Practising Members Registered for the Purpose of Imparting Training During the Month of June, 2012



MR. RIYAS BABU ARANHIKKAL 45/8, Bicha Apartments Mangottuvyal Kottuli, P.O. Kozhikoda Kerala -673 016	PCSA -3011		MS. PRIYANKA MAKAR Company Secretary In Practice 7/42c, 3rd Floor Moti Nagar, New Delhi - 110 015	PCSA -3020
MR. HEMANT SURESHRAO PAWAR Company Secretary In Practice Flat No. 15, Shivankur Residency Vikas Nagar, Wanawadi Pune - 411 040	PCSA -3012		MR. VINEET KHETANI Company Secretary In Practice 8b, Ashok Towers, 11a, Palm Avenue Kolkata - 700 019	PCSA -3021
MR. UTTAM MOHALLIK Company Secretary In Practice Plot No -672/4048, Ekamra Villa Nayapalli, Bhubaneswar Odisha -551 015	PCSA -3013		MS. LAKSHMI RATHNAM Company Secretary In Practice B- 603, Mantri Elegance Bannerghatta Main Road Behind Shoppers Stop Bangalore -560 076	PCSA -3022
			DR. GAURI SHANKER DOKANIA Company Secretary In Practice Ganpati Complex, 1st Floor Patal Babu Road, Bhagalpur - 812 001	PCSA -3023
			MR. MUNIRAJU C.N Company Secretary In Practice No. -41, (New No. 12/41) 10th New Main Road, 25th Main Kalappa Block, Srinagar Bangalore - 560 050	PCSA -3024
			MR. RAKESH DHAWAN Company Secretary In Practice 408, N. N. Mall, Manglam Place Sector -3, Rohini Delhi - 110 085	PCSA -3025



News from the Institute

MR. NARENDRA KHANNA
Company Secretary In Practice
94, Sfs, Sector -11 (Extn)
Pocket -10, Rohini, Delhi -110 085

PCSA -3026

MR. ANKUSH K. SOOD
Company Secretary In Practice
House No. 369,
Sector-16
Panchkula - 134 113

PCSA -3027

MR. MINU TULSIAN
Company Secretary In Practice
32, Metcalfe Street
Chnadni Chowk, 2nd Floor
Kolkata - 700 013

PCSA -3028

MR. ATAM PRAKASH
Company Secretary In Practice
B-42, Ayudh Vihar, Plot No. 3
Sector 13, Dwarka,
New Delhi -110 075

PCSA -3029

MR. R. SUGANYA
Company Secretary In Practice
6-3-354/13, Ab, 3rd Floor
Suryajeja Apartments
Hindi Nagardanjafutta
Hyderabad -500 024

PCSA -3030

MS. RACHNA LODHA
Company Secretary In Practice
Flat No -139, Pocket - K, Sarita Vihar
New Delhi -110 076

PCSA -3031

MR. V. VASUMATHY
Company Secretary In Practice
10/23, 1st Floor, Vinayagam Street
R.A. Puram, Chennai -600 028

PCSA -3032

MR. SANTOSH DEVRAO RASKAR
Company Secretary In Practice
Office No. 6 & 7, 3rd Floor
D.C. Chambers, Mumbai Road, Pimpri
Pune - 411 018

PCSA -3033

MR. ASHISH JAYANT KULKARNI
Company Secretary In Practice
Office No. 6 & 7, 3rd Floor
D.C. Chambers
Mumbai Road, Pimpri
Pune - 411 018

PCSA -3034

MR. KAILASH CHAND GOEL
Company Secretary In Practice
31/16, Civil Lines South
Arya Samaj Road
Muzaffar Nagar -251 001

PCSA -3035



Company Secretaries Benevolent Fund

**MEMBERS ENROLLED REGIONWISE AS LIFE MEMBERS
OF THE COMPANY SECRETARIES BENEVOLENT FUND***

Sl. No.	LM No.	Name	Mem No.	City
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EIRC

1	9775	Mr. Amar Kumar Nayak	ACS - 29989	Bhadrak
2	9795	Sh. Sudhendu Saha	FCS - 818	Kolkata
3	9796	Mr. Antaryami Sahoo	ACS - 30241	Bhubaneswar

NIRC

4	9771	Mr. Yashpal Singh	ACS - 29917	Noida
5	9772	Ms. Pavitra Agarwal	ACS - 29922	Jaipur
6	9774	Mr. Amit Kumar Gupta	ACS - 29988	Delhi
7	9776	Ms. Geeta Jha	ACS - 30014	Noida
8	9777	Mr. Deepak Jain	ACS - 30074	Banswara
9	9778	Mr. Rajeev Munda	ACS - 30094	Jodhpur
10	9780	Sh Ramit Rastogi	ACS - 19881	New Delhi
11	9784	Ms. Shreya Bhandari	ACS - 30438	Bhilwara
12	9785	Ms. Keerti Acharya	ACS - 30314	Bhilwara
13	9789	Mr. Ram Kumar Mishra	ACS - 30498	Kanpur

14	9791	Sh. Ashish Kumar	ACS - 15981	Yamuna Nagar
15	9792	Mr. Amit Saxena	ACS - 30521	Faridabad
16	9793	Sh. Rashid Jeelani Malik	FCS - 4694	Gurgaon
17	9797	Sh. Manish Jain	ACS - 14411	Jaipur

SIRC

18	9773	Ms. Sapna U R	ACS - 29925	Mysore
19	9779	Sh. Baga Reddy Mettu	ACS - 30197	Secunderabad
20	9781	Ms Madhavi Kola	ACS - 20238	Bangalore
21	9782	Ms. Bharathi C	ACS - 30329	Hyderabad
22	9787	Ms. T Mohana Viritha Bhavani	ACS - 30451	Hyderabad
23	9790	Mr. Aripirala Sridhar	ACS - 30499	Hyderabad
24	9798	Ms. Antarima Kundu	ACS - 30350	Hyderabad
25	9799	Mr. Jose George	ACS - 30386	Thiruvananthapuram

WIRC

26	9783	Ms. Margi Hindia	ACS - 30431	Ahmedabad
27	9786	Sh. Pankaj S Chourasia	FCS - 4909	Mumbai
28	9788	Sh. Pankajkumar Popatlal Savalia	ACS - 15641	Surat
29	9794	Mr. Tarlok Chand Sharma	ACS - 30332	Mumbai

August
2012



CHARTERED SECRETARY

1042

* During the period 20th June 2012 to 20th July, 2012



News From the Regions

■ Eastern India Regional Council

Half Day Workshop on Revised Schedule - VI of the Companies Act

On 16.6.2012 the EIRC of the ICSI organized a half-day workshop on Revised Schedule - VI of the Companies Act at Kolkata. The guest speakers were CA Anita Agarwal and CA Sunita Kedia, Practising Chartered Accountants.

CS Ranjeet Kr Kanodia, Chairman, ICSI-EIRC in his welcome address said about the recent changes which have been incorporated in revised Schedule VI of the Companies Act 1956 with reference to the placement of items in the Balance Sheet and the Profit and Loss Account. He gave a thorough insight of the changes and its impact. In his address he said that the EIRC-ICSI is organising workshops not only on company law but also on emerging areas of the profession. Revised Schedule VI effective from 1.4. 2011 i.e. from the financial year 2011-12 is to harmonise the disclosure requirements with the Accounting Standards. The Ministry of Corporate Affairs replaced the existing Schedule VI of the Companies Act, 1956 with the revised one. Revised Schedule VI is not applicable to any insurance or banking company.

CS Arun Khandelia, Vice Chairman, ICSI EIRC introduced the speakers and the theme on the workshop to the delegates where he spoke on the Revised Schedule VI and its impact on the preparation of financial statements.

CA Ankita Agarwal in her deliberation on the revised schedule said that the new one is a major revamp of the existing one. The revised guidelines are a stepping stone towards IFRS convergence and will assist at the time of IFRS convergence. She covered the provisions part of the revised Schedule VI. She also explained the disclosure requirements of Profit & Loss Statement and Balance Sheet under revised Schedule VI.

CA Sunita Kedia in her deliberation talked about the statement part of the Balance Sheet and explained in detail about the disclosure requirements on notes of accounts. She in her presentation also

spoke on the various new disclosures which have been added and few existing requirements which have been removed, they pointed out that the additional disclosure requirements are more pertinent in case of balance sheet and the disclosure requirements in respect to Profit & Loss have been significantly reduced. Under the new framework revised schedule VI will act as an additional requirement of disclosures along with the disclosure required by the Companies Act and the Accounting Standards.

Career Awareness Programmes

A career awareness programme was conducted at Ashok Hall School, by Utpal Mukherjee, Executive Officer, ICSI-EIRO and S.Sreejesh, Desk Officer (Career Awareness) where they gave an insight to the class XII students about "Career as a Company Secretary". The career awareness programmes were also held at M.P. Birla Higher Secondary School, Modern High School for Girls, City Collegiate School, Jadavpur, N. K. Pal Vidyapith, Kendriya Vidyalaya, IIM Calcutta, Hirendra Leela Patranavis School, Adarsh Madhyamik Vidyalaya where the officials and members of the ICSI gave a presentation to class XII students about "Career as a Company Secretary" and the AV clip on the Company secretary course was also shown to the students of the respective schools. They informed about the ICSI Students Education Fund, the fee concession to reserved classes, ICSI e-Learning and the flexibility of the CS course to study wherever a student wants to in India. The students and the teachers of the school were inquisitive about the CS course like the time period of the course, the fee structure, the contents, the opportunities after becoming a CS professional, etc.

Half Day Workshop on Entry Tax in West Bengal

On 1.6.2012 the EIRC of the ICSI organized a half-day Workshop on Entry Tax in West Bengal at ICSI-EIRC Building. The Guest Speaker of the Workshop was CS Timir Baran Chatterjee, Sr. Executive Vice President (Corporate Affairs & Legal) & Company Secretary - DIC India Limited.

CS Ranjeet Kr Kanodia, Chairman ICSI-EIRC in his welcome address introduced the theme of the Workshop and also gave an overview of Entry Tax in West Bengal. He said that the basic purpose of introduction of this new tax legislation is to set up a fund to be called the West Bengal Compensatory Entry Tax Fund which shall be utilized exclusively for the development or facilitating the trade, commerce and industry in the state like, construction, development and maintenance of roads and bridges for connecting the market and industrial areas.

CS Timir Baran Chatterjee in his address mentioned that as per this new legislation, the tax will be levied on movement of specified goods entering into the local area from other states for consumption, sales or use. However intra state sales would not be



News from the Institute & Regions

subject to payment of entry tax. The tax rate is 1% of invoice value. The very important point is that the tax so paid, will not be allowed as credit and hence is considered as a cost to the organization. He also discussed the inter state purchase, specified goods and other related topics in regard to entry tax in detail.

Half Day Workshop on Recent Amendments in Service Tax

On 14.7.2012 the EIRC of the ICSI organized a half-day Workshop on Recent Amendments in Service Tax at Bengal Club, Kolkata. The guest speakers were CA Sushil Goyal, Immediate Past Chairman, EIRC of the ICAI and CA Shivani Shah, Proprietor, Shivani Shah & Associates.

CS Ranjeet Kr Kanodia, Chairman, ICSI-EIRC speaking on the recent amendments in service tax pointed out that The Negative List Taxation substantially reinvents the law on Service Tax which will have a deep impact on service transactions. He also gave a brief introduction to the Place of Provision of Service Rules.

CA Shivani Shah in her presentation to the gathering on the topic Place of Provision of Service Rule said that the Provision of Services Rules, 2012 specify the manner to determine the taxing jurisdiction for a service. She then explained for whom these rules are framed, the scope of these rules, the meaning of place of provision and then the place of provision in relation to performance based services, place of provision for immovable property, place of provisions where service provider and recipient are located in different territory etc. Shah with the aid of a flow chart helped the participants to identify location with reference to service rules and taxation jurisdiction.

CA Sushil Goyal spoke on the topic Negative List - Concept in Service Tax where he explained the meaning of service, activity, consideration, declared services. He then gave a point to point analysis on the services that is there on the Negative List. His presentation was lively and was sprinkled with humorous examples and case references.

Full Day Seminar on Enhancing Value in Business - Role of Company Secretaries

On 30.6.2012 the EIRC of the ICSI organised a full day Seminar on Enhancing Value in Business - Role of Company Secretaries at Hotel Park, Kolkata.

CS Ranjeet Kr Kanodia, Chairman ICSI-EIRC in his welcome address said that the seminar will give company secretaries the chance to network with experts and practitioners in this space, identify new models and opportunities for innovation, and explore

areas for potential collaboration. He said that choice of topics like Due Diligence, Drafting of Business Agreement, Valuation of Business, Merger & Acquisitions has been chosen as these topics reflect the core areas of a Company Secretary professional.

The Chief Guest of the seminar was CA R.K. Agarwal, Managing Partner, E & Y and the speakers of the seminar were CA Sujal Shah, Partner, SSPA & CO. Mumbai, Remya Hariharan, Argus Partners, CS K. Shekhar, Head - Legal & Group Company Secretary, The Chatterjee Group, CA Anurag Singhi, Director-Baker Tilly Singhi, Rahul Sonthalia, CFA, Vice-President, MPA Financial Services Limited, Ajay Choudhary, Proprietor, Choudhury Law Offices, CA K. K. Chhaparia, Practicing Chartered Accountant.

CA R.K. Agarwal the Chief Guest, in his deliberation welcomed the Initiative of EIRC of the ICSI for conducting the programme because as a professional, an individual needs to provide better service to clients so that it generates goodwill for the entire fraternity and at the same time a professional should strive for excellence. He also said that a company which follows good corporate governance principles can easily face turbulent times. He also made a point that as CS the most important job is to see the compliance of rules and regulations and to explain to stakeholders about insider trading and its implications.

In the Inaugural session CS B.P. Dhanuka and CS S. Gangopadhyaya, Past Presidents of the ICSI and CS Amit Sen, Past Vice President, the ICSI were honoured for the valuable service rendered by them for the development of the profession.

The speaker of the First Technical Session on the Topic "Due Diligence" was CA Sujal Shah and in his presentation he explained the meaning of a Due Diligence Review (DDR), its scope and evolution, types of DDR, who conducts a DDR etc. In his presentation to the gathering he spoke on the methodology of DDR, and very lucidly explained the areas of Financial DDR, the risks involved and also spoke on to mitigate the risks involved. He concluded by saying that even though Due Diligence focuses on negative information, the aim is not to raise obstacles to transactions, but rather to facilitate transactions by identifying problems and risks by devising solutions to problems or devices to reduce or manage the risks involved in corporate acquisitions.

The speakers of the topic "Drafting of Business Agreement" were CS K. Shekhar and Remya Hariharan. CS K. Shekhar in his presentation spoke on the Joint Venture Agreement, Investment Agreement, Share Subscription Agreement, Share Purchase Agreement, Shareholders Agreement, the legal documentation involved, the ownership control, arbitration issues etc.

Hariharan in her presentation spoke on categories of Business Agreements, the important legal clauses, the representations and warranties, indemnity and damages, force majeure dispute resolution, Notices, waiver and confidentiality.



The speakers of the topic "Valuation of Equity and Business" were CA Anurag Singhi and Rahul Sonthalia. Singhi in his presentation spoke on the importance of Valuation and why is it required, the myths and truths about valuation and what can be valued and the approaches to valuation like Asset Based Approach, Income based Approach and Market based approach. Sonthalia in his presentation said that Valuation is the process of determining an asset's value as expressed in monetary terms and spoke the economic and macro-economic aspects of Valuation. He then explained the Valuation Fundamentals and Valuation key methods.

The speaker of the topic "Mergers & Acquisition - Enhancing Value" was K. K. Chhaparia who spoke on M & A drivers, Modes of M & A, the meaning of Mergers, the difference between merger, amalgamation & acquisition, demerger v. slump sale, tax issues in a merger, sales and excise laws implications etc. The speaker of the topic "Mergers & Acquisition - Technical Aspect" was Ajay Choudhary who gave an insight to the M & A procedures, the legal aspects to be taken care in an M & A, what provisions need to be looked after for a smooth transition. He explained many intricacies of M & A with the examples of case studies etc.

PATNA CHAPTER

35th Annual General Meeting of Chapter

On 23.6.2012, the Chapter conducted its 35th AGM at Patna. The meeting was attended by Santosh Kumar, Chairman, Subir Kumar, Vice-Chairman, Manjay Kumar, Secretary, Saurabh Kumar Sonu, Treasurer, Arun Kumar Garodia, KritiKiran and Khusboo Chandra, Committee and other members of the Chapter. Santosh Kumar, Chapter Chairman in his address reviewed performance of the Chapter during the FY 2011-12, outlined various student services, programmes held during the year and improving results of the Chapter. He informed that the revenue receipt of the chapter was at Rs.27.16 lacs registering 17.83% growth from the previous year figure of Rs.23.05 lacs. The Chapter's excess of Income over Expenditure for the year ended 31st March, 2012 was at Rs.10.38 lacs representing an increase of 28.94% over the previous year's excess of income over expenditure of Rs.8.05 lacs. He expressed deep satisfaction that it has now become a self-sufficient and debt free Chapter. He also discussed the challenges and outlook for the present year which included the pursuit of the Chapter to have its own land at Patna, to start OTS for professional students, to arrange and meet training requirements of the students, etc.

Northern India Regional Council

Vaishali Study Circle Meeting on Practical Approach to Revised Schedule VI

On 9.6.2012 at the Vaishali Study Circle Meeting on Practical

Approach to Revised Schedule VI CS Gopal Chandra Mondal, Director (Finance & Accounts) & Company Secretary, IDFC Foundation was the speaker.

Two day Participative Workshop on Revised Schedule VI & XBRL

On 16 and 17.6.2012 at a Two day Participative Workshop on Revised Schedule VI & XBRL, CS Rajiv Bajaj (Chairman, NIRC-ICSI), Ankit Varshney (Webtel Electrosoft (P) Ltd.), Rajeev Khandelwal (Webtel Electrosoft (P) Ltd.), Eish Taneja (Member - WTO & International Affairs Committee, CPA (USA)); CS Vijay Sahni (Webtel Electrosoft (P) Ltd.) and CA Anil Gupta were the speakers.

West Zone Study Group Meeting on an Overview of FDI Policy

On 16.6.2012 at the West Zone Study Group Meeting on an Overview of FDI Policy CS Manvinder Singh, (Partner, J Sagar Associates) was the speaker.

Meeting of Company Secretaries in Practice on LLP - Integration with MCA

On 18.6.2012 at the Meeting of Company Secretaries in Practice on "LLP-Integration with MCA" CS B Srikumar, Asstt. Registrar (LLP), MCA was the speaker.

Study Circle Meeting on Related Party Transactions

On 22.6.2012 at the Study Circle Meeting on Related Party Transactions CA Kamal Garg was the speaker.

East Zone Study Group Meeting on Drafting of Arbitration Clauses - Mandatory & Optional Clauses

On 23.6.2012 at the East Zone Study Group Meeting on Drafting of Arbitration Clauses - Mandatory & Optional Clauses Praveen Kumar Jain, Advocate was the speaker.

North Zone Study Group Meeting on Revised Schedule VI

On 24.06.2012 at the North Zone Study Group Meeting on Revised Schedule VI CS R.K. Khurana was the speaker.

South Zone Study Group Meeting on Indirect Taxation - Role of CS

On 29.6.2012 at the South Zone Study Group Meeting on Indirect Taxation - Role of CS Yogesh Gupta of KPMG was the speaker.



News from the Institute & Regions

Haryana State Conference on Value Added Tax and Service Tax - Creating Value for the Economy

On 30.6.2012 at the Haryana State Conference on Value Added Tax and Service Tax - Creating Value for the Economy (Host: Gurgaon Chapter), the Chief Guest was Rao Inderjit Singh, Hon'ble Member of Parliament & Formerly Union Minister of State for External Affairs and Defence Production, Government of India. The other dignitaries present were CS Nesar Ahmad, President, ICSI; CS Upender Gupta, Additional Commissioner (Service Tax); Dilbagh Singh, Dy. Excise & Taxation Commissioner (W), Gurgaon; CA Atul Gupta; CS J K Mittal; CS Sanjeev Malhotra; Mohit Malik, Advocate and Priyajit Ghosh, Associate Director, KPMG.

Inauguration of 164th Management Skills Orientation Programme (MSOP)

On 13.6.2012 at the inauguration of 164th MSOP CS G.P. Sahi, Vice-President (Legal) & Company Secretary, CJ International Hotels Ltd. was the speaker.

On 30.6.2012 at the Valedictory session Ajay Goyal, Commissioner of Income Tax was the speaker.

GURGAON CHAPTER

Study Circle Meeting on Living in Balance through Yoga Science

On 15.6.2012 Gurgaon Chapter of NIRC of the ICSI organized a Study Circle Meeting on Living in Balance through Yoga Science at its premises. The meeting was addressed by CS Sudhir Jain. In his welcome address Chairman CS Punit Handa expressed concern over increasing stress in daily life and said practice of yoga leads to a balance and healthy life. In the same background this session is being organized to help members cope with the daily stress in their lives. Explaining the background of emergence of Yoga Science CS Sudhir Jain said that Yoga is a group of ancient practices that originated in India in 5000 BC. The practice of asanas or postures is the most common form of yoga. At the very basic level, yoga links body movement with the breath as we flow from one posture to another. Yoga's benefits affect each person in a different way. All the systems in the body - from the lymphatic to the digestive to the cardiovascular - benefit from yoga. Yoga benefits every aspect of our bodies, inside and out. On the inside, yoga enables relaxation. Many practitioners find that yoga helps them to focus and feel relaxed in both work and play. Scientists studied both long-time yogis and beginners; they found that the stress hormone had decreased, even after just one session of yoga. Yoga has also been found to increase alpha and theta waves in the brain, meaning that yoga can relax the brain and increase access to the subconscious and emotions. Explaining the effects of Yoga on

the outside he said since yoga balances the metabolism and provides exercise, many find yoga brings their body into balance. Physical yoga strengthens and tones the muscles while improving balance and posture. And yoga is a great way to cross-train for other sports; it can ease strains from injuries and increase strength and flexibility. When all the body's systems are balanced, yoga practitioners feel healthier and find they want to make other healthy choices in their life. While yoga classes can be physically oriented, toning and strengthening the body; the essence of Yoga is union, union of the mind, body and soul. Yoga is about the balance and harmony of our whole being. He practically demonstrated certain yoga postures and ended his discussion by saying that Yoga is among the oldest systems of health practiced today and has been proved to reduce stress, lower blood pressure, increase energy, strength and endurance, peace of mind and so much more.

Interaction Meeting on Stamp Duty Payment on Issue of Securities & Related Issues

On 23.6.2012 the Chapter organized an Interaction Meeting on Stamp Duty Payment on Issue of Securities & Related Issues at GIA Hall, Gurgaon. This meeting was addressed by Ravinder Kumar, SDM (Revenue) Govt. of NCT of Delhi. Chairman CS Punit Handa in his welcome address said that the issue of stamp duty payment has gained prominence in the recent days and in the same regard this interaction meeting has been organized so that CS Members in practice as well as in employment can have clarity of the issue with Govt. representative. Ravinder Kumar explaining the concept informed that the Constitution of India lays down the provisions for levying taxes. This includes tax in the form of stamps on instruments recording certain transactions. The Stamp Act is a fiscal statute dealing with tax on transactions and the power to levy stamp duty is divided between the Union and the State. The Parliament has the power to levy stamp duty on the instruments specified in various articles. The payment of proper stamp duty on instruments bestows legality on them. Such instruments get evidentiary value and are admitted as evidence in Courts. A stamped document is considered more authentic and reliable than an unstamped document. The purpose of enacting Stamps Act is to raise revenue for the local governments and payment of stamp duty imparts legality to the document and this can be submitted as an authentic document in courts. Payment of Stamp Duty is similar to sales tax (VAT) and income tax collected by the Government. Stamp Duty is payable under section 3 of the Indian Stamp Act, 1899. Rates of Stamp Duty payable for different types of documents are as per Schedule I. Stamp Duty must be paid in full and on time. If there is a delay in payment of stamp duty, it attracts penalty. The payment of stamp duty is determined on document as per the rates provided in the Indian Stamp Act, 1899 or the State Stamp Act, as the case may be. Under section 31 of the Indian Stamp Act, 1899, the executor can also apply to the Collector of Stamps after payment of the requisite fee, for the purpose of obtaining the opinion of the Collector of Stamps as to the amount of stamp duty chargeable on the instrument. Finally explaining the consequences for not paying the



prescribed stamp duty he said that if a document is not duly stamped it cannot be admitted as evidence. At the end discussion on practical issues were taken up with the members.

Inauguration of 7th MSOP

On 13.7.2012 Gurgaon Chapter of NIRC of the ICSI inaugurated its 7th MSOP at Chapter premises. Anup Dhanda, Executive Director (Finance), Orient Craft Ltd. Gurgaon was Chief Guest who inaugurated the programme. CS Punit Handa, Chapter Chairman congratulated the participants for successfully completing the academic part of CS course and welcomed them to the MSOP. CS Hitender Mehta emphasized updating knowledge on regular basis and improving software skills like MS-Office. Chief Guest Anup Dhanda said that one has to learn to work in a Team i.e. together everybody achieves more. He also advised participants to read professional journals on a regular basis as it helps better interaction with the board of directors. He also requested participants to learn other areas of profession apart from regular secretarial works. CS Dhananjay Shukla while concluding advised the participants to increase depth of knowledge and welcomed them to the noble profession of company secretaries.

JAIPUR CHAPTER

Career Awareness Programmes

On 3.7.2012 the Jaipur Chapter of NIRC of the ICSI organized 05 Career Awareness Programmes at Alwar District. Rajesh Gupta, Executive Officer, Jaipur Chapter addressed the Career Awareness Programmes.

The students were apprised about the mode of registration in the course, syllabus, structure of the course, fees structure, and also the avenues available after completion of the CS Course both in employment and in practice. Pamphlets explaining Career in CS Course were distributed to the students. The respective schools administration provided very good support in organizing the programmes. About 600+ students in all participated in the said programmes.

Professional Development Programme

Inaugural Session: On 14.7.2012 the programme was inaugurated by Girish Goyal, Chapter Secretary. While delivering his inaugural address he said that such programmes are very much useful for updation of knowledge and such programmes also provide opportunity to know what is happening across the globe and what changes are required to be introduced to be at par with the global best practices.

Technical Session: There were three technical sessions and the resource persons included were S.P. Paliwal, Awadhesh Kumar and Shailendra Rastogi.

Valedictory Session: CS Shyam Agrawal, Secretary, NIRC was the Chief Guest who while addressing the participants said that company secretaries have proved their potential in the organization and is now well accepted by the corporate that their contribution to the growth and development of industries is

immense. At the end of day's programme, successful participants were awarded 08 PDP Hours.

Study Circle Meeting

On 14.7.2012 a Study Circle Meeting on "Intellectual Property Law & Trademark Protection" was organised. Shaswat Purohit was the key speaker of the Programme who in his address apprised the members about the new trademark practices. He also stressed on various points i.e. definitions, time limits, remedies available, etc.

MEERUT CHAPTER

Study Circle Meeting on Cyber Security

On 17.6.2012 a Study Circle Meeting on Cyber Security was conducted by the Chapter which was attended by a good number of Members and students.

MODINAGAR CHAPTER

Study Circle Meeting on Recent Changes in Cost Accounting Rules

On 1.7.2012 the Chapter organized a Study Circle meeting on Recent Changes in Cost Accounting Rules. CS M.K Singhal, Chapter Chairman in his address informed that the Ministry of Corporate Affairs has recently issued various notifications/circulars relating to cost records and Cost Audits the brief of which are as under:

Method of Appointment of Cost Auditor has been changed vide circular No 15 dated 11.04.2011.

New Cost Audit Orders issued and the industries which have been brought under compulsory Cost Audit are:

Name of Industry to which company relates		Conditions for applicability the in brief
A	(a) Cost Accounting Records (Cement) Rules, 1997	a) wherein the aggregate value of the turnover made by the company from sale or supply of all products or activities during the immediately preceding financial year exceeds hundred crores of rupees; or
	(b) Cost Accounting Records (Tyres & Tubes) Rules, 1967	b) wherein the company's equity or debt securities are listed or are in the process of listing on any stock exchange,
	(c) Cost Accounting Records (Steel Plant) Rules, 1990	
	(d) Cost Accounting Records (Steel Tubes and Pipes) Rules, 1984	
	(e) Cost Accounting Records (Paper) Rules, 1975	
	(f) Cost Accounting Records (Insecticides) Rules, 1993	
CS Sushil Antal, Practicing Company Secretary & Chairman (Chapter Programme Committee), briefed on Cost Records		



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under Section 209(1)(d) of the Companies Act. He explained that earlier certain class of companies (only 44 Industries were covered) for preparation of cost records wherein any company falling under that industry and having turnover exceeding Rs. ten crores had to prepare and maintain cost records as notified vide various notifications.

CS S.K Sharma, Vice Chairman of the Chapter briefed about Cost Audit under Section 233B stating that any company is required under clause (d) of sub-section (1) of section 209 to include in its books of account the particulars referred to therein, the Central Government may, by order, direct that an audit of cost accounts of the company shall be conducted in such manner as may be specified in the order by an auditor who shall be a cost accountant within the meaning of the Cost and Works Accountants Act, 1959 (23 of 1959). CS Deepak Garg briefed about Changes/Procedure with regard to Appointment of Cost Auditor.

a) The Audit Committee of the Board shall be the first point of reference regarding the appointment of cost auditors. b) E-Filing of application (Form 23C) on MCA website. c) Filing to be done within 90 days from the commencement of each financial year i.e. by 29th of June. d) The following two documents need to be filed along with form 23C. 1) Certified copy of the Board Resolution proposing appointment of the cost auditor; and 2) Copy of the certificate obtained from the cost auditor regarding compliance of Section 224(1-B) of the Companies Act, 1956. e) Now there is no need for the Central Government to accord approval for appointment of Cost Accountant, the appointment will be deemed to be approved unless any objection is received from Central Government within 30 days of filing the application. f) The company has to issue formal letter of appointment after expiry of thirty days. g) The Cost Auditor has to file Form 23D with MCA within thirty days of receipt of formal letter of appointment.

Southern India Regional Council

37th Southern India Regional Conference of Company Secretaries

On 29 and 30.6.2012 the ICSI-SIRC organized the 37th Southern India Regional Conference of Company Secretaries at NI - MSME, Hyderabad. Nadendla Manohar, Hon'ble Speaker of Andhra Pradesh Legislative Assembly was the Chief Guest. N Raghuveera Reddy, Hon'ble Minister for Revenue, Government of Andhra Pradesh was the Guest of Honour. Jahanzeb Akhtar, IRS, Commissioner of Income Tax, Bangalore was the key-note speaker at the inaugural session. In his address CS N K Jain, Secretary and CEO, the ICSI complimented the SIRC in choosing the appropriate

theme for the Conference. Jain also informed the members that the Parliament's Standing Committee of Finance has taken up the Companies Bill 2011. He emphasized that the Government and the regulators has more trust and faith on the Company Secretaries and hence it is important to maintain that trust and faith by being proactive. Jain highlighted that the CS will be given the elite tag of KMP in the new Bill and the new and challenging avenues like Secretarial Audit, etc. will be open to the CS. He appealed to the members to work on Sustainability Reporting. Jain also informed members about the new post membership qualification programmes on Corporate Restructuring and Insolvency and Competition Law. He concluded by saying that people see only what they are prepared to see and vision is the art of seeing what is invisible to others.

CS Nesar Ahmad, President, The ICSI also emphasized the proactiveness of the professionals. The President highlighted various initiatives of the Institute. He informed that continuous reviews are made for the achievements of the Institute. The President also highlighted the Institute's representation at WTO committee meeting at Geneva, wherein representatives from 155 countries participated. The Institute has represented the role of CS on corporate governance, compliance, etc. The President also informed the formation of stake holder grievance committee of the ICSI. He further informed that the Government of India has notified on 4.6.2012 in the Gazette the proposed issuing of CS secretarial executive compliance certificate to the students on passing their foundation and executive programme. The President went on to explain the members on the new PMQ and short term courses of the Institute. He hinted that a national policy on corporate governance is to be adopted, and if done, India may be the first country in the world to adopt a national policy on corporate governance.

Jahanzeb Akhtar, IRS delivered the key note address. In her illuminating and thought provoking address, she urged the people 'to shame' those indulging in corruption by adopting a proactive approach instead of cribbing and complaining. She also highlighted that the role of professionals and public in making the government to do its work diligently, as it is the government that reflects the society. She emphasized that the Government continues to be the depository of excellence. Akhtar opined that the quality, excellence and values of transparency are not only for private sectors any more and it is for the public management system also.

N Raghuveera Reddy, Hon'ble Minister for Revenue, Government of Andhra Pradesh stated that the role and profile of CS has undergone a sea change with heightened responsibilities and rightly pointed out that those who perform only will survive and others will have to perish. He further narrated that the role of CS has risen from being a mere compliance officer to an integrated corporate manager with increase share of responsibility in the administration of corporates. Raghuveera Reddy said that the role of CS has reached a time when they are required to be constantly vigilant in corporate policy formulation and advice management



appropriately. The CS has to be a proactive professional for stake holders, he observed.

In his inaugural address, Nadendla Manohar, Hon'ble Speaker of the Legislative Assembly of Andhra Pradesh appealed the professionals to interact with the Government and be the part of the process in ensuring greater degree of transparency in various sectors including corporate governance. Manohar requested the members to be loyal to the profession and go by the rules and regulations strictly and due diligence has to be adhered to. He also advised the delegates to think about entrepreneurs as various arenas of practice are thrown open to the CS in changing scenario. He concluded by requesting the members to rise to the maximum level, get more talented and convert themselves to a relentless perceiver of being an active performer.

A souvenir on the Regional Conference was released by the Chief Guest. CS Dr. Ravi B, Immediate Past Chairman, ICSI - SIRC was honoured on the occasion. The prizes and certificates were distributed to the meritorious students by the Chief Guest.

The First Session was on 'Companies Bill 2011 and the role of Company Secretaries' which was addressed by CS Sethuraman K, Chief Compliance Officer and Group Company Secretary, Reliance Industries Limited, Mumbai. In his address, CS Sethuraman highlighted the significant changes incorporated in the Companies Bill 2011 and the opportunities arising out of the same for the profession of Company Secretaries.

CS Sundaram S M, Advocate, New Delhi, CS Saurabh Kalia, Partner, UKCA Law Chambers, New Delhi and CS Mahavir Lunawat, Senior Manager, M&A, PwC, Mumbai were the speakers at the Second Session. CS A Visweswara Rao, Member, ICSI - SIRC introduced the speakers to the delegates. CS Sundaram S M spoke on labour laws. He traced the history of developments in connection with the labour audit and highlighted the important provisions of the labour laws and also pointed out the areas in which CS can excel. CS Saurabh Kalia, Partner, UKCA Law Chambers, spoke on the liquidation and winding up and in his address covered the important provisions pertaining to the liquidation and winding up process of the companies and also highlighted that more opportunities are open for the CS in the areas of liquidation and winding up to work upon. CS Mahavir Lunawat, Senior Manager, PwC elaborated members with the recent regulations and the increasing role of the CS. He also focused on the Competition Law. CS Ramakrishna Gupta R summed up the proceedings of the session.

Dr. M B Athreya, Management Advisor, New Delhi spoke on the self-vision of CS in the Third Session. In his enlightening address on "Self vision of CS", he clearly explained about the professional values and goals. Dr. Athreya also advised the delegates to focus on their physical health besides the professional schedule. A cultural programme was organized in the evening.

On 30.6.2012, the Fourth Session - interaction with CS icons was held. CS C Parthasarathy, Chairman, Karvy Group, Hyderabad and CS Dr. Jagan Mohan Rao, P V S, Past President, The ICSI interacted with the delegates. CS Parthasarathy shared his vast experience and the steps taken to climb the ladder to be an 'ICON' of the profession of CS. CS Jagan Mohan Rao linked Bhagwad Gita and the profession and requested the delegates to be loyal to the profession.

V S Sundaresan, Chief General Manager, SEBI, Mumbai, the speaker of the Fifth Session in his address impressed upon the members about the increasing responsibilities of Company Secretaries in the Capital Market. He also advised the members to comply with various directives and guidelines issued by SEBI and other regulators.

Sutirtha Bhattacharya, IAS, Chairman and Managing Director, Singareni Collieries Company Limited, Hyderabad while delivering the valedictory address rightly emphasized upon the increasing role of CS both in employment and in practice and also suggested the delegates to be updated with the latest amendments in the corporate laws. CS Marthi S S, Chairman, ICSI - SIRC summed up the proceedings of all the sessions of the 37th Regional Conference.

Valedictory Session of 12th MSOP

On 29.6.2012 the valedictory session of the 12th MSOP was organized at Chennai. CS P T Rangamani, Past President, The ICSI in his valedictory address congratulated the participants on successfully completing the examinations and the MSOP. He emphasized that whether in employment or in practice, excellence should be the hallmark for the CS to excel. Since the corporates are the important part of the economy, the role of CS has a crucial role to play in these corporates, he observed. He also advised the participants that being the leader of compliance in the organization, the CS should not follow others dictation. Instead, he should act diligently with conscience. He also distributed the certificates to the participants.

BANGALORE CHAPTER

10th Study Circle Meet of Bannerghatta Study Circle

On 7.6.2012, Bannerghatta Study Circle of Bangalore Chapter of the ICSI conducted its 10th Study Circle meet on "Recent Amendments in Cost Accounting Record/Audit Report Rules 2011" at Bangalore. N Ramaskanda, Practising Cost Accountant, Rao Murthy & Associates, Bangalore was the Speaker. N Ramaskanda in his presentation on "Recent Amendments in Cost Accounting Record/Audit Report Rules 2011" made an introductory note on the applicability & maintenance of cost accounting records and audits. The speaker explained in detail the latest notifications issued on audit/report rules and various returns to be filed with MCA on account of these new rules. Later, the speaker responded to the queries of the members present especially on applicability of these rules to various industries. The session was well attended by 37 Members.



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Half day Open House Session on Practical Issues Relating to Service Tax with an Update on the Recent Amendments

On 23.6.12 Bangalore Chapter of SIRC of the ICSI organised a Half Day Open House Session on practical issues relating to Service Tax with an update on the Recent Amendments at the Institute of Agricultural Technologists. CA & CS Deepak Kumar Jain B, Director, Accolet Advisors Private Limited, Bangalore was the Speaker who in his address highlighted the major amendments which have been introduced in the service tax provisions vide Finance Act 2012 which were already notified and effective from 1.7.2012. He also dwelt on the practical issues pertaining to the amendments regarding Taxable Services, Export Services and Financial Services. There was a lively interaction by the 52 members present.

30th Annual General Meeting

On 29.6.2012 the Bangalore Chapter of SIRC of the ICSI conducted its 30th Annual General Meeting at the Chapter premises. On ascertainment of requisite quorum, the Chairman called the meeting to order. The meeting commenced with the welcome address by CS S Kannan, Chapter Chairman who also highlighted the major activities of the Chapter during the year under review.

The Chairman read out the notice and CS S.C Sharada, Secretary, Bangalore Chapter of the ICSI read out the Auditor's Report. CS S Kannan presented the Managing Committee Report and Audited Accounts to the members and invited their comments and suggestions on the accounts. Thereafter the Chairman moved the resolution for adoption of the accounts and which was passed unanimously by the 29 Members present.

Study Circle Meeting on Dividend - Interim Dividend - Deemed Dividend

On 29.6.2012 the Chapter organised a Study Circle Meeting on Dividend - Interim Dividend - Deemed Dividend at its premises. CS S. Kailasam, Finance Controller and Company Secretary, Unisys India Private Limited, Bangalore was the Speaker who in his presentation on "Dividend - Interim Dividend - Deemed Dividend" dealt with the Concept of Dividend and stated that an interim dividend may be distributed by the board of directors in the current year on condition that the Articles of Association empowered them to do so. He then dwelt on the differentiating factors of both Interim Dividend and Deemed Dividend.

The Programme was well attended by 44 Members and Students.

Career Awareness Programmes

On 23.6.2012 a Career Awareness Programme on Career as a Company Secretary was held at Sindhi College, Bangalore for PU

Students. CS Naman G Joshi, Company Secretaries in Practice was the speaker. Five hundred students attended the programme. Again on 27.6.2012 a Career Awareness Programme was held at Sindhi College, Bangalore for degree students. Noor Sumayya, Assistant Education Officer, Bangalore Chapter of the ICSI was the speaker. 700 students attended the programme.

COCHIN CHAPTER

Joint Professional Development Programme on Capital Market with ICAI and Cochin Stock Exchange Ltd.

On 21.06.2012, the ICSI Kochi Chapter organized a joint Professional Development Programme on "Capital Market with ICAI and Cochin Stock Exchange Ltd." Prof. K.V. Thomas, former President of the Cochin Stock Exchange Ltd, was the Guest Speaker who addressed on Stock Market Investments in Uncertain Times. While addressing he said that in India we have continuous changes in guidelines by the government which is hurting investor sentiment and transparency which is essential for investment. His address was very lively. The session was followed by a 10 minutes presentation by the sponsor M/s North Gate Arinso Cochin (NGA HR Pvt .Ltd, Cochin).

The Second Session was by CA P S Menon, Chairman, Cochin Stock Brokers Ltd. The topic for the session was Capital Market - Challenges, Opportunities and Innovations. The speaker described various opportunities emerging in the capital market, challenges faced by the investors in the capital market, graphical representation showing the market movements, and the recent innovations in the capital market. The technical sessions were followed by an interactive Question - Answer session which was aptly handled by the speakers.

COIMBATORE CHAPTER

Annual General Meeting

On 2.6.2012 the Annual General Meeting for the Year 2011-2012 was held at ICSI Coimbatore Chapter premises. The Management Committee members and other members of the ICSI Coimbatore Chapter attended the programme and discussed the ICSI Coimbatore Management Committee Report and the Chapter Accounts for the year ending 31st March, 2012. 25 Members attended the Annual General Meeting.

HYDERABAD CHAPTER

Workshop on Advanced Communication Strategies and Techniques

On 1.6.2012 the Chapter organized a full day workshop on Advanced Communication Strategies and Techniques. CS



Shujath Bin Ali, Chapter Chairman in his welcome address emphasized the importance of communication excellence. Dr Priya Hosali, Ex- Dean, Department of English Studies, EFLU one of the speakers spoke and set the tone for the Seminar. She then briefed about the importance of Communication skills, interacted with members and clarified the doubts raised by them. Prof. Zia, Corporate Trainer spoke on Business communication, Business writing - A perspective and also on the speaking essentials, etc.

Shahir, Director, Maitraise in his address spoke on Business writing - Technical perspective. Members actively participated in the interactive session.

World Environment Day Celebrations

On 5.6.2012 the Chapter organized a Green Walk on the eve of World Environment Day as part of Corporate Social Responsibility [CSR] activity to spread awareness about importance and need for preserving the environment.

CS Shujath Bin Ali, Chapter Chairman in his welcome address highlighted the importance of the World Environment Day and need to spread awareness. CS R. Ramakrishna Gupta, Vice-Chairman, CS Vasudeva Rao Devaki, Secretary, CS P G Issac Raj, Treasurer of the Chapter also graced the occasion.

Company Secretaries and Students participated in large number for the Green Walk from its Institute Premises, Anandnagar to Necklace Road and walked back to ICSI-Hyderabad Chapter. A delegation met the following dignitaries on the eve of World Environment - 5 KM Run MalluBattiVikramarka (Hon'ble Deputy Speaker, AP Assembly), BotsaSatyanarayana (Hon'ble Minister for Transport, Andhra Pradesh), Prof. KC Reddy, Vice Chairman, Reecap and Chairman Reemap, G. Raj Kumar, Deputy Mayor, GHMC, S. Bale Rao, Principal Secretary ,AP Fisheries Dept., BA Prabhakar, CMD, Andhra Bank, Hari Narayana, Chairman, IRDA, A. Samba Siva Rao, RD, RBI, SV Kumar, Principal, Chief Conservator of Forest, D. Sudhakar, Additional Principal Chief Conservator of Forest & CGM, Dharma Reddy, ED, APIIC. The following activities were undertaken: 5 KM Green Walk with greening messages through play cards, Distribution of Environment and greening tips to the General Public, Gifting of tree saplings to General Public, Highlighting Environment concerns to the General Public.

Study Circle Meeting

On 23.6.2012 the Chapter organized a Study Circle Meeting on Preparation of Annual Report - Practical Aspects at the Chapter premises. CS Shujath Bin Ali, Chapter Chairman in his welcome address informed about the importance of the topic. CS Sudheendhra Putty, Company Secretary, Infotech Enterprises Ltd. was the Speaker who addressed on the Importance of the Annual Report as a document, recent developments in the Annual Report Formats/Presentation -

Clause 49 of the Listing Agreement, Global Reporting Initiative, ICSI Guidance Note on Non-financial Disclosures, Ministry of Corporate Affairs (MCA) Corporate Governance Voluntary Guidelines, 2009 and the Corporate Social Responsibility Guidelines, 2009 for Voluntary Adoption by Companies. Further he elaborated on the Indian Institute of Corporate Affairs' Draft Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. He also emphasized on the Enlarged Purpose of the Annual Report - as a brand building exercise, to cater to the needs of the 4 key stakeholders - employees, customers, investors and society. He also stressed on the Role of the CS in the whole process - value addition, beyond statutory role and best opportunity to articulate his abilities, etc.

Western India Regional Council

Half Day Seminar on Emerging Regulations Increasing Role

On 8.7.2012 ICSI-WIRC jointly with Raipur Chapter organized a half day Seminar at Bhilai on the above topic. Eminent speakers addressed the delegates. There was a good field of delegates.

New Developments in Corporate Taxation

On 8.7.2012 a Study Circle Meeting was organized on New Developments in Corporate Taxation at Borivili. The faculty was Vitthal Dehadray, Vice President - Finance, Franklin Templeton Asset Management (India) Private Limited. Around 50 members attended the programme.

Full Day Seminar on Emerging Business Roles

On 7.7.2012 ICSI-WIRC jointly with Bhopal Chapter organized a full day Seminar on Emerging Business Roles at Hotel Samdariya, Dr. Barat Road, Russel Chowk, Jabalpur. Eminent Faculty members addressed the delegates. There was a good field of delegates.

Study Circle Meeting on Foreign Direct Investment (FDI)

On 7.7.2012 a Study Circle Meeting was organized on Foreign Direct Investment (FDI) at Essar House. The faculty was



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ArvindSalvi, Former Deputy General Manager, RBI. There were around 40 delegates present at the Study Circle Meeting.

Study Circle Meeting on Compliances required under the Listing Agreement

On 17.6.2012 a Study Circle Meeting was organized on Compliances Required Under The Listing Agreement at Bhayander. The faculty was CS Rishikesh Vyas. There were more than 50 delegates present at the Study Circle Meeting.

AHMEDABAD CHAPTER

Study Circle Meetings

On 6.7.2012 the Ahmedabad Chapter of WIRC of the ICSI organized a Study Circle Meeting at the Chapter premises. Guest Speakers were - Gopesh Shah, Marketing In-charge, Gujarat Sunil Mattoo and Prabhat Dubey - Regional Manager - Gujarat, from Stock Holding Corporation Of India Limited, Ahmedabad who addressed and briefed the participants on "e - Stamping & Document Management Solutions (Digitisation)". Around 69 CS Members attended the meeting and were granted 1PCH.

Again on 19.7.2012 the Chapter organized another Study Circle Meeting. Guest Speaker - Himal K Parikh, Director - Interface Capital Markets Private Limited, Ahmedabad in his address briefed the participants on "Will (Vasiyatnama)". The subject covered "Why we should make a Will, what happens if we do not make a Will, how to make a simple Will, Brief case studies of high profile cases of Will disputes, terminologies and legal provisions of Will, alternatives of Will, dos and don'ts, etc." Around 61 CS Members attended the lecture and were granted 1PCH.

BHOPAL CHAPTER

Full Day Seminar on Emerging Business Roles

On 7.7.2012 the Bhopal Chapter jointly with WIRC of the ICSI organised a Full Day Seminar on Emerging Business Roles at Jabalpur. The unique initiative taken by WIRC with Bhopal Chapter was to reach the members and students of remote locations. CS, Mahavir Lunawat, Chairman-WIRC, CS Amit Kumar Jain, Member-WIRC and CS Dhanraj S Thakur, Chairman, Bhopal Chapter, inaugurated the session.

The First Technical Session was on Outlook on Finance which was taken by CS Amit Kumar Jain. The speaker briefed about the role of Company Secretary in the field of Finance.

Thereafter in the Second Technical Session CS Mahavir

Lunawat dealt with "Emerging Regulation - Increasing Roles" and nicely briefed about the Role of Company Secretary in the fast changing regulations.

Post Lunch in the Third Session Dr. Anil Dhagat, Academician from Jabalpur dealt with the topic "Professional Motivation". The programme ended with Cultural Evening, where members and students gave their performance. CS Shubra Gupta and CS Raju Chandra Pal from Jabalpur coordinated the whole programme. The programme was very interactive where more than 75 delegates attended the programme. The Programme concluded after the open house session. ■

ATTENTION MEMBERS !

WAIVER OF 2% TRANSACTION CHARGES

The Institute has already introduced various online services to the members and students through the Institute's websites www.icsi.edu/www.icsi.in. For encouraging members to avail the online services available through Institute's portal www.icsi.in, it has been decided to waive henceforth the transaction charges of 2% presently being charged from the stakeholders while remitting the payments online. Members will now have to remit the actual amount of fee only whereas transaction charges will be met by the Institute. The waiver of transaction charges will be applicable for all types of online payments to be made by the members like Annual fee, Certificate of Practice fee, CSBF and other fee or charges.

The annual membership fee/certificate of practice fee for the year 2012-13 has become due for payment w.e.f. 1st April, 2012. The members are requested to utilise the online services for remittance of the same and to avail the benefit being extended by the Institute.

CORRIGENDA

1. The name of S. Ravi Iyer published in the Elevation Column of July, 2012 issue of Chartered Secretary on page 960 be read as Shri S. Ravi Aiyar.
2. The e-mail id of the author published on page 872 of July, 2012 issue of Chartered Secretary be read as mail@lhkhilnani.com instead of mail@khilnani.com.

The errors are regretted.



ICSI - CCGRT

Two Days Residential Programme on Revised Schedule VI and Transfer Pricing

On 30.6.2012 and 1.7.2012 the ICSI-CCGRT conducted two days residential programme on Revised Schedule VI and Transfer Pricing at its premises in CBD Belapur. The programme was well attended by professionals, CS students and other Finance professionals. Jayesh Thakur, Associate Director, Tax & Regulatory Services, Pricewaterhouse Coopers, P R Barpande, Former Partner, Deloitte, Haskins & Sells, Jinesh Bhagdev, Proprietor, Jinesh R Bhagdev & Co, Vishwanath Kane, Senior Manager, Transfer Pricing, Deloitte, Haskins & Sells, Yashodhan Pradhan, Senior Manager, Transfer Pricing, Vispi T Patel & Associates, Vaishali Mane, Client Service Director and Pranajib Basu, Senior Manager, Grant Thornton India LLP addressed the participants.

On the 1st day, Jayesh Thakur conducted a session on the Revised Schedule VI. He explained each and every aspect of the new schedule by quoting examples from the published balance sheets of few blue chip companies. He highlighted the point that the effective date for applicability of revised schedule VI is not April 1, 2011 but April 1, 2010 as the comparative figures are to be given. He further stated that all the companies whose accounting year begins after April 1, 2011 shall be eligible for revised schedule VI subject to exceptions. E.g. If a company's accounting year ends on June 2011 then the revised schedule VI will be applicable to it for accounting year July 1, 2011 to June 30, 2012. Clarifying on the operating cycle Thakur said that if operating cycle is not specified then it has to be assumed as 12 months. There were other components of revised schedule VI that were also discussed.

Jinesh R Bhagdev gave an overview of Transfer Pricing. He discussed the objectives and foundation of transfer pricing. The main objective of transfer pricing is to save the tax base and avoid double taxation. The foundation of transfer pricing is embedded in Double Taxation Avoidance Agreement - Article 9 of the OECD Model Convention. The subject of transfer pricing has become a buzz in current scenario due to the increasing penetration of Indian business abroad. Jinesh said that Sections 92 to 92F of the Income Tax Act 1961 deal with the Transfer Pricing Provisions in India and gave an overview of the rules, circulars and penalties relating to transfer pricing. He then explained the concepts of 'Associated Enterprise (AE)', Domestic Transfer Pricing and the criteria for determining AE. When an AE enters into an international transaction then the income arising therefrom shall be computed as per Arms Length Price. Arms length price is the price which is applied or proposed to be applied in a transaction between persons other than AE in uncontrolled conditions. Section 92C of the Income Tax Act 1961 lays down the foundation for determining

Arms Length Price. Jinesh also explained the Functional, Assets & Risk Analysis ('FAR'). He pointed out that FAR analysis is the heart of transfer pricing since one is required to select the comparable companies on the basis of FAR analysis.

P R Barpande made an elaborate presentation on how to prepare a Balance Sheet under Revised Schedule VI by giving practical examples and using questionnaires. He elucidated about each component of revised schedule VI and its posting as per accounting standards. He also discussed the intricacies involved in forensic analysis of balance sheets, the key changes in Balance Sheet, Profit & Loss account & Cash Flow Statement and the disclosures required or not required to be made therein.

On the second day, Vishwanath Kane discussed the Transfer Pricing methods. He gave an overview of the various types of Transfer pricing methods and explained the criteria for selection of appropriate methods. The taxpayer has the discretion to choose the most appropriate method. However, the most preferred method is the Comparable Uncontrolled Method and the last preferred are the profit split and transactional net margin method.

Kane then gave an overview of Landmark judgements on Transfer Pricing with relation to domestic transfer pricing. He explained the case of Serdia Pharmaceuticals India Pvt Ltd., relating to the determination of most appropriate method. The ruling in this case highlights the formulation of the transfer pricing policy by the pharma companies that import APIs from their Associated Enterprises (AEs). It also provides guidance on several important aspects of transfer pricing jurisprudence viz. Preference of CUP over TNMM, Reliability of customs valuation, Economic importance of an intangible like patent and Requirement to select the most appropriate method under the relevant rules. The next case was of Clear Plus India Pvt Ltd (Delhi Tribunal). The crux of this ruling was that the relevant market (to test a transaction under CUP) is the market where the goods are sold and not the place of origin of goods. It also stressed that contemporaneous documentation needs to be maintained to support CUP analysis; minor aberrations in the comparability on the application of CUP does not justify its complete rejection and CUP method, being a direct method, provides the most reliable measure of arm's length price and should be preferred over any other method when it can be reliably applied. The case of Aricent Technologies (Holding) Limited (Delhi Tribunal) was ruled in favour of taxpayer. The ruling provides guidance in respect of payments received as mere reimbursements from related parties. In the absence of any element of income, such payments do not warrant any mark-up under the arm's length principle though the same needs to be supported by adequate evidences. In case of TNT India Pvt. Ltd, the tribunal ruled in favour of the revenue w.r.t. the use of single year data. It was adjudged that prior year data is relevant only if assessee proves that pricing pattern has been influenced by market conditions/business cycle/



product cycle of earlier years. The taxpayer has failed to provide cogent and reasonable reasons for justification of use of multiple year data. The ITAT accepted the taxpayer's fact that at the time of TP study, it would not have the data relating to relevant year, but also observed that the data available for the TP study at the time of filing the income tax returns has to be adopted. Inclusion of non-operating income and of non-operating expenses would definitely affect the net margin of the operating profits of comparable companies and hence only income and expenses derived from the operation of the activity of the taxpayer has to be considered.

Kane then discussed international cases on Transfer Pricing, the first one being the landmark case of Glaxo Smithkline Holdings (Americas) Inc. v. IRS. He also discussed the case of Veritas Software Corporation v. Commissioner. In this case, Veritas International Ltd was the Irish subsidiary of Veritas Software Corporation (Veritas US); Veritas Ireland and Veritas US entered into a Cost Sharing Agreement (CSA); Veritas US transferred the Intangibles and Intellectual Property (IP) owned by it to Veritas Ireland in exchange for royalties; Veritas US applied Comparable Uncontrolled Transactions (CUT) Method as the most appropriate method for valuing the transaction; It determined the arm's length royalties paid between unrelated parties in similar situations. In this case the Tax Court held that The IRS's valuation method inappropriately aggregated the transferred property; IRS's approach of assuming a perpetual life for short lived intangibles was not appropriate; Some of the intangibles transferred by Veritas US had no value outside the US; IRS included the value of technology subsequently developed under the CSA rather than confining to pre-existing technology; The approach adopted by Veritas US was appropriate after making certain adjustments to CUT analysis to enhance reliability. In this case even though the IRS did not appeal against the court's ruling it disagreed with it. It maintained that it will continue to apply an aggregate valuation to interrelated transaction related to CSA.

Yashodhan Pradhan explained determination of Arms Length Price. He elucidated the concept of Arms length Price to mean "The price between unrelated parties in uncontrolled conditions". He described the process of transfer pricing to involve Analysis of Functions, Assets and Risk, Determination of tested party, Determination of most appropriate method, Determination of Profit Level Indicator, Search for the comparable data and comparability analysis and Determination of arm's length price. He then explained in detail the methods of determining the Arms length Price. The Comparable Uncontrolled Method (CUP) seeks to determine the arms' length price by comparing the controlled transaction with the uncontrolled transaction. Resale Price Method is used in case of purchase of goods or services from related parties for resale to unrelated parties without substantial value addition. Cost plus method is used in cases involving manufacture, assembly or production of tangible products or services that are sold/provided to related parties.

Transactional Net Margin Method (TNMM) examines operating profit from transactions as a percentage of appropriate base (can use different bases i.e. costs, turnover etc.) in respect of similar parties. Pradhan then explained how to determine the most appropriate method with the help of a case study.

Vaishali Mane and Pranajib Basu conducted a session on Transfer Pricing Reports and Audit Procedures. Vaishali discussed the audit procedures. She said that TP documentation requirement is applicable when international transactions exceeds INR 1 Crore. Domestic Transfer Pricing is applicable, if aggregate value of such transactions exceeds INR 5 Crores. Threshold for TP Audit is INR 15 Crores. Section 92D of Income Tax Act deals with Transfer Pricing documentation. Accordingly, every person who enters into any international transaction has to maintain records as prescribed and also furnish a report from Chartered Accountant in Form 3CEB, to be filed along with Return of Income. This information helps the assessing officer get an overview of international transaction. Rules 10A to 10E of the Income Tax Rules deal with transfer pricing. It requires documents in relation to an international transaction to be kept and maintained by every person. List of documents prescribed in Rule 10D are to be kept & maintained for 9 years and furnished within 30/60 days of Revenue's requisitioning. She further explained that transfer pricing documentation is divided as entity related, price related and transaction related. She then discussed about the primary and supporting records required to be maintained as per Rule 10D(3) and Section 92D of the Income Tax Act.

Mane then gave a brief overview of the penalties for violation of transfer pricing provisions. The penalties prescribed depend on the nature and gravity of default. She threw light on the fact that India has moved up in the race for being the most aggressive tax authority w.r.t Transfer Pricing (now at the 6th position). She also said that 7 rounds of TP audits have been completed & approximately Rs. 95,000 crores adjustments have been made till date. Speaking on litigation issue, she pointed out that more emphasis should be laid on comparables than on fundamentals of TP. She also said that a large number of cases are pending at appellate levels. Documentation should be prepared taking utmost care & diligence as it is the ultimate speaking record. She cautioned that "Revenue will never understand business as well as you do and for the purposes of transfer Pricing if you fail to explain your business and pricing in a lucid manner you will encounter ongoing expensive difficulties". The programme was very interactive. All the queries of the participants were well addressed by the speakers.

13th Residential Management Skills Orientation Programme (R-MSOP)

From 1.6.2012 to 15.6.2012 the ICSI-CCGRT organized its 13th Residential Management Skills Orientation Programme (R-MSOP) at its premises in CBD Belapur, Navi Mumbai for CS students from across India.



O P Harshwal, CEO, V Express Ltd, Chief Guest for the day along with Atul H Mehta, Central Council Member and Chairman ICSI-CCGRT Management Committee inaugurated the programme. O P Harshwal in his inaugural address congratulated all the participants for successfully completing the Company Secretary ship course. In his enlightening and motivating speech he stressed on how a Company Secretary is an integral and extremely important part of the management of the company and a vital link between the Shareholders and Directors of the company. Hence he asked each participant to create his/her own brand i.e. "To be a Brand yourself". "Jack of all and master of none" is an age old saying but for today's competitive world it must be "Jack of all and Master of one". He advised the participants to be such an expert in their field that no one can compete. He repeatedly asked the participants to keep themselves updated by reading newspapers, business magazines, latest circulars and rules issued by Ministry of Corporate Affairs and all related governing bodies. He wanted them to seek and grab every opportunity and utilize it optimally; and not to stick to just CS profession but have a wide horizon and be ready to accept new challenges and responsibilities. He concluded by asking the participants to be passionate and enjoy their work. If a person enjoys his/her work, the person will definitely give 100% and then no one can stop him/her from reaching the top of the success ladder.

Participants from across India had the opportunity to interact, participate and learn various aspects of corporate laws and soft skills viz. Enhancing their Effectiveness in Reading, Presentation, Social Skills through Practical Demonstrations, Corporate Governance and its Emerging Trend, Overview of Indian Economy, Corporate Tax Planning, e-Filing, DIN, Forms relating to Company Incorporation, Appointment & Change in Managerial Personnel, Legal Drafting and Writing of Documents, Competition Law and Policy in India, Compliance of Listing Agreement, Service Tax(Post Budget 2012)and VAT, Loan Documentation, Transfer Pricing under the Income Tax Act, Basic concepts & Regulations of IPO, FDI Regulations and FEMA Compliances, Mergers and Amalgamations, Enforcement Actions under Securities Laws etc.

Participants had the opportunity to present on various aspects of company law during the session on Experimental learning. They were also acquainted with the procedural aspects of Board Meetings through mock meetings. Further, they had a rare opportunity to go for an Industrial Visit and participate in the mock AGM & quiz on FEMA held there. The participants were divided into various groups and were given case studies of managerial relevance, which they then presented in front of experts.

Yoga sessions were held in the mornings; daily briefing sessions and various skill development activities were conducted to help the participants overcome inhibitions, stage fear and develop strong team bondage. Few pre-dinner sessions were also organized in the evening on select days.

M S Sahoo, Former Whole Time Member, SEBI, who was the Chief Guest for the valedictory session was extremely happy to interact with the budding Company Secretaries and shared his immense knowledge and experience in his field. He again stressed the point of achieving an expertise in a particular field. The most important thing he stressed was that "one should have faith in oneself, which will lead the path to success". He also emphasized on learning to manage people apart from having expertise in academics. One should understand the various behavioural styles of different people and interact with them accordingly. In conclusion, he congratulated all the participants for completing the MSOP successfully and wished them luck and distributed Course Completion Certificate and other Certificates. 'Best Project' was awarded to the Group on 'Choice of a leader' in which Rahul Singhal, Dewas, Ketki Kulkarni, Pune, Kundan Tanawade, Mumbai were the participants. Anushree Dehadrai from Ahmedabad was adjudged the "Best Presenter" during the Group Project Presentations and Anagha Joshi from Pune was adjudged as the "Best Participant" of the 13th RMSOP Batch.

Programme on Compliance of Listing Agreement, Postal Ballot through e-voting & Prevention of Insider Trading

On 14.07.2012, ICSI-CCGRT organized a programme on 'Compliance of Listing Agreement, Postal Ballot through e-voting & Prevention of Insider Trading' at its premises in Navi Mumbai. The speakers for the programme were Shailashri Bhaskar, Practising Company Secretary, Mumbai & Former DGM, SEBI, Nitin Ambure, Vice President, National Securities Depository Ltd., Mumbai and R Balakrishnan, Company Secretary, Pune.

Shailashri Bhaskar initiated the discussions on 'Compliance of Listing Agreement' by explaining that listing compliances can be basically divided into two categories viz. periodic (to be complied on due dates irrespective of occurrence of any event) and event based (to be complied only if the event occurs) compliances. She then discussed the event based compliances under clauses 5A (Unclaimed shares), 16 (Closure of transfer books), 19 (Intimation of Board Meeting), 20 & 22 (Outcome of Board Meeting), 20A (Dividend on per Share Basis), 31 (Copies of Annual Reports, Notices, resolutions etc. to the Stock Exchanges), 35A (Outcome of Voting Results), 36 (Intimation of Events) and 53 (Agreement with Media Companies). Important Periodic Compliances include Clauses 35 (Shareholding Pattern), 38 (Listing Fees), 40A (Minimum Level of Public Shareholding), 41 (Financial Results), 43 (Variations), 47 (Compliance Officer), 49 (Corporate Governance), 52 (CFDS), 54 (Functional website) etc. Besides, listed companies also need to submit certificate on a quarterly basis to the exchanges regarding Reconciliation of its Share Capital and also



News from the Institute & Regions **ICSI - CCGRT**

comply with certain other provisions under the Takeover & Insider Trading Regulations.

Nitin Ambure made an elaborate presentation on 'Postal ballot through e-voting'. He explained e-voting to mean voting through an electronic system where shareholders can cast their vote on resolutions of companies as per extant rules and regulations without having the necessity of sending their votes through post. The Legal framework for postal ballot through e-voting is contained in Section 192A of Companies (Amendment) Act, 2000 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011. In line with the same and with an intent to provide wider participation of shareholders, SEBI, at its Board Meeting held on June 26, 2012 decided to make it mandatory for Top 500 listed companies at BSE and NSE, based on market capitalization, to provide for e-voting facilities in respect of those businesses to be transacted through postal ballot. For providing a secured e-voting platform, listed companies may choose any one of the agencies which has obtained the certificate from Standardization Testing and Quality Certification (STQC) Directorate, Department of Information Technology, Ministry of Communications & IT, Government of India, New Delhi. Currently, NSDL and CDSL have obtained such certification. The procedure to be followed by the company for

conducting e-voting should be as recommended by the agency and indicated in the Notice accompanying the resolution. Nitin Ambure then gave a demo on the working of e-voting platform/system of NSDL w.r.t. RTA/company, Shareholder (Voter) & Scrutiniser.

R Balakrishnan threw light on the intricacies of Insider Trading and its prevention from practical point of view. He informed that by making use of the unpublished price sensitive information, the privileged ones in the corporates derive benefit for themselves or their near and dear ones. Such an act is termed as "Insider Trading" and this could be done by the individuals who are connected with the organization in one way or the other. Insider trading is illegal as per the prevailing laws not only in India but also in many countries.

Apart from being illegal, insider trading is unethical and not a good corporate governance practice. In the market place, the investor's confidence is lost due to insider trading and the stock market goes haywire with such insider trading activity. The market regulator in India - i.e. SEBI has brought out the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Insider Trading is also punishable under the SEBI Act. R Balakrishnan then discussed the provisions of the insider trading regulations with special reference to various case laws. ■

ATTENTION MEMBERS !

IDENTITY CARDS FOR MEMBERS

Members who are yet to get the Identity Card issued from the Institute are requested to apply for the same along with their latest two coloured passport size photographs in the format given below (indicating on the reverse the Name and Membership Number) to the Membership Section of the Institute at ICSI House, 22, Institutional Area, Lodi Road, New Delhi-110003. For queries, if any, contact on -

Phone No. 011 45341061

Mobile No. + 91 9868128682

Email Ids member@icsi.edu / acs@icsi.edu

Request for issue of Member's Identity Card

Please send latest two coloured passport size photographs mentioning your name & membership no. on the reverse of the photograph alongwith the following details:

Membership No. ACS/FCS

Name

(in block letters) (First Name) (Middle Name) (Surname)

Date of birth

Phone: Office: Residence:

Mobile No.

E-mail address

Passport
size coloured
photograph

Signature with date



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

CENTRE FOR
CORPORATE
GOVERNANCE,
RESEARCH &
TRAINING (CCGRT)

PCH - 2

Training Program on Ethics for Enduring Happiness (With Certificate of Participation)

PDP - 5

Venue: Conference Hall of ICSI-Centre for Corporate Governance, Research and Training, Plot No. 101, Sector 15, Institutional Area, CBD Belapur, Navi Mumbai 400 614

Background

Business decisions that result in superior profits in the short term may not necessarily be sustainable business proposition in the long run. There are several moral traps that an executive experiences in today's dynamic business environment like:

- » Blowing the whistle on workplace misconduct
- » Employee rewards for succeeding at any cost
- » Tinkering with corporate disclosures
- » Conflict of interest situations

This half-day training session on "Ethics for Enduring Happiness" is designed to help you to recognize and analyze ethical issues in business; promote ethical behaviour in companies and institutions, develop skills in presenting and evaluating ethical arguments and measure your moral compass. The session will be delivered through a combination of theory, practical insights and business case studies.

The program is designed for people who would like to enhance their knowledge on the subject of Business Ethics and work on self-acknowledged moral standards. The interactive format will enhance your knowledge and assist you in applying it in business situations



Day, Date & Time:
**Saturday
September 01,
2012**

09.30a.m. – 02.30 p.m.
with lunch

Proposed Coverage

- » Develop self-awareness on the subject
 - » Learn from the Case Studies
- Ethics for Enduring Happiness is designed to introduce you to the basic concepts of ethics and moral behaviour. This training aims to align your thoughts and actions to morally correct behaviour, inculcate a strong foundation and belief system that you succeed in life only through morally right actions and practicing legitimate means gives you enduring happiness. Ethics for Enduring Happiness provides you with a set of framework which will enable you to quickly re-visit the basics of ethical behaviour and also test your moral compass by taking the ethics objective test.

Speakers include

Mr. V. Chakrapani, Head Audit & Compliance, HDFC Bank
Mr. Huzeifa Unwala, Partner NMAH & Associates

Participant Mix

Company Secretaries, Chartered Accountants, Cost Accountants, Bank Officials, other professionals and students of various professional courses, dealing with the subject.

Fees (inclusive of Service Tax)

₹ 650/-
per participant for
Members of ICSI

₹ 550/-
per participant for
Students of ICSI

₹ 1,000/-
per participant for
Others
to cover the cost
of program kit,
lunch and other
organizational
expenses.

Registration : The Fees maybe drawn by way of D.D / local cheque payable at Mumbai in favour of "ICSI-CCGRT A/c" and sent to Gopal Chalam, Dean, ICSI-CCGRT, Plot No. 101, Sector -15, Institutional Area, CBD Belapur, Navi Mumbai- 400 614
Phone No. 022-27577814, 4102 1515 e_mail : ccgrt@icsi.edu

For effectiveness of the program, there will be limited seats and hence Prior Registration is desirable.

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

Days & Dates :
Thursday-Friday-Saturday,
October 4-5-6, 2012

Venue :
Aamby Valley, Mumbai

THEME

VISION 2020 : TRANSFORM, CONFORM AND PERFORM

Every moment, the world is in transition, so the change is a constant and dynamic process. What is more important in today's context is the speed of change in all spheres of human endeavour. Change becomes value driven only when the determination to bring change is defined and well versed. Change cannot result in value added proposition unless it is driven in a right perspective.

The vision to bring change commences with a tiny step and such vision is called "to transform". The transformation - a radical change that catapults one into another dimension of existence, possibly the one that is not feasible without being transformed. Every paradigm needs a defined vision to stir the imagination and creativity with motivation and determination leading to transformation.

Vision 2020 in its broader perspective is metamorphic in nature requiring to transform from the nascent stage to a level where the whole structure is redefined not only in confirmation to the present but in conformation to future. Vision 2020 is to lay foundation for proactive changes igniting minds to create niche.

One may find the similar connotations for the terms 'transform' and 'conform' when viewed and applied in the context of corporate environment, which has seen an array of reforms in terms of enactment of new legislations, mobilisation of capital market, inflow of foreign capital, growth in number of MNCs etc. and has opened new opportunities for professionals like Company Secretaries.

These opportunities could be realised into value added propositions only when there is transformation and conformation to the expectations of change that would lead to performance enactment for a sustainable competitive advantage. It is not a one time exercise. As the change is constant and dynamic, the efforts should also be proportionately constant and dynamic.

It is in this backdrop, the theme of the 40th National Convention has been devised as VISION 2020 - TRANSFORM, CONFORM AND PERFORM to be deliberated in the following four technical sessions:

1. Economic Volatility and Risk Management
2. CS - Whistle Blower or Conscience Keeper
3. Financial Markets - Engine for Economic Growth
4. Challenges and Opportunities for SME Sector

First Technical Session: Economic Volatility and Risk Management

Volatility is variability. Over the past few years, the World economy has become much more volatile; that is, the swings from boom to bust have been greatly increased. Despite several growth drivers like improved technology, better monetary policy; researchers have found little consensus on why such volatility exists despite such favorable initiatives. In the context of recent trend, such economic volatility in India can be attributed to the rupee depreciation and the downgrade of the Sovereign rating.

Volatility and risk are go getter in the sense that the risk is inherent in volatility. As the economies are facing volatile conditions, they are operating in a risk filled environment, such risk may be large or small and closed or open. It is not that risk is a bad phenomenon often it is considered as efficient measure to growth of the economy but at the same time, risk needs to be managed. In this current economic milieu, risk can be from both expected and unexpected sources and economies need to respond proactively, taking the proper steps to assess, prioritize and manage all risks in a strategic, effective and efficient manner.

In this context, the first technical session has been designed to deliberate upon the factors associated to sovereign downgrade resulting in economic volatility thereby,

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

reasoning out the ways to mitigate the risk inherent in volatile economic conditions.

Second Technical Session: Panel Discussion CS - Whistle Blower or Conscience Keeper

Whistle Blower or Conscience Keeper! Though, *prima facie* both the words may sound synonymous, there is a thin line of demarcation between the two. Whistle blowing is about speaking out on malpractice, misconduct, corruption, or mismanagement; whereas, conscience is an inner voice viewed as acting as a guide to the righteous behaviour.

The line of demarcation is that while whistle blowing pertains to the situation after the wrong is done or about to be done the conscience of a person stops one from committing the wrong. These are two sides of the boat, where keeping inside the boat is as important as keeping outside.

Economic volatility, global competition, growing risk appetite demands the governance professionals, the Company Secretaries to priorities their role as Conscience Keeper and Whistle Blower.

In this backdrop, the second technical session is devised to deliberate as to how the Company Secretaries should priorities their role as conscience keeper and Whistle Blower.

Third Technical Session: Financial Markets - Engine for Economic Growth

In recent years, an increasing amount of attention has been devoted to the connection between financial markets and economic development. One of the most enduring debate is "whether financial development adds to economic growth or increased economic activities results in financial development."

Indian economy has grown at an unprecedented pace over a period of time attracting foreign investment, expansion of capital market, greater interface of domestic businesses with global counterparts. This growth is attributed to open market policies enabling regulatory environment and infrastructure development.

Financial sector reforms being one of the factors for driving growth of an economy, this technical session has been devised to deliberate on the measures that have been taken by the Government to improve the growth of the economy via financial markets.

Fourth Technical Session - Panel Discussion Challenges and Opportunities for SME Sector

SMEs are universally acknowledged as major contributors of economic growth process and even larger contributors to exports and employment. In the Indian context, the critical role and place of the SME sector cannot be over-emphasized in employment generation, exports and inclusive growth.

SME sector is facing new challenges in the wake of increasing globalization and there is a pressing need for this sector to reinvent itself by enhancing its efficiency and productivity in order to remain competitive, both domestically as well as internationally. It is in that context the Government has accorded priority to this sector in order to achieve balanced, sustainable and more equitable economic growth.

The next level of growth in the Indian economy will have to necessarily come from the SME sector. In order to transform India into a major manufacturing hub, the Indian SMEs must embrace change so that they can find a place for themselves in the global competitive environment.

This technical session has been structured to deliberate upon the challenges of SME sector, government initiatives and the role of professionals to provide the SMEs an enabling environment for a visible and sustained growth.

Tentative Programme

DAY 1 - Thursday, October 4, 2012	
1.00 PM onwards	Registration of Delegates
3.00 PM to 4.30 PM	OPENING PLENARY
4.30 PM to 5.00 PM	Tea
5.00 PM to 6.30 PM	FIRST TECHNICAL SESSION
7.30 PM onwards	Cultural Programme and Dinner
DAY 2- Friday, October 5, 2012	
9.30 AM to 11.00 AM	SECOND TECHNICAL SESSION - Panel Discussion
11.00 AM to 11.30 AM	Tea
11.30 AM to 1.00 PM	THIRD TECHNICAL SESSION
1.00 PM - 2.00 PM	Lunch
2.00 PM to 3.30 PM	FOURTH TECHNICAL SESSION Panel Discussion
3.30 PM	Tea
7.30 PM onwards	Cultural Programme and Dinner

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DAY 3 - Saturday, October 6, 2012

9.00 AM to 11.00 AM	INTERACTIVE SESSION (For Members of The ICSI only)
11.00 AM to 11.30 AM	Tea
11.30 AM to 1.00 PM	CLOSING PLENARY
1.00 PM onwards	Lunch

Participants

Corporate Directors, Secretaries and other Senior Management Executives in the Corporate and Financial Services Sector, Practising Professionals in Secretarial, Financial, Legal and Management Disciplines, Researchers and Academicians would benefit from participation in the Convention.

Faculty

Eminent persons from the Government and industry, including professionals, management experts, academicians will address the participants and there would be brainstorming sessions and interactions.

Papers for Discussion

Members who wish to contribute papers for publication in the souvenir or for circulation at the Convention are requested to send the same preferably through email in word format [sudhir.dixit@icsi.edu] with the caption 'Paper for National Convention' with one hard copy to Dr. S K Dixit, Director (Academics), The Institute of Company Secretaries of India, 22, Institutional Area, Lodi Road, New Delhi 110 003 on or before **August 31, 2012**. The paper should not normally exceed 15 typed pages. The Articles Screening Committee will consider the articles so received and the decision of the Institute based on the recommendations of the Screening Committee will be final in all respects. An honorarium of Rs. 2,500 will be paid by the Institute for each paper selected for publication in the souvenir or circulation at the Convention.

REGISTRATION PROCEDURE

The 40th National Convention is being organized on residential basis and the delegates are required to remit the Delegate Fee as well as the Hotel Accommodation Charges for registration as delegate. Delegates opting for non-residential basis may register only by remitting delegate fees.

A. DELEGATE FEES

	EARLY BIRDS (PAYMENT RECEIVED UPTO 30.08.2012) (Rs.) INCLUSIVE OF SERVICE TAX	OTHERS(PAYMENT RECEIVED AFTER 30.08.2012) (Rs.) INCLUSIVE OF SERVICE TAX
Members of ICSI/ICAI/ICWAI	6180	6740
Non-Members	6740	7300
Company Secretary in Practice	5620	6180
Senior Members (60 years & above)	5620	6180
Students	5060	5620
Spouse	5060	5620
Accompanying Children (above 5 and below 18 years)	4050	4050
Foreign Delegates	US\$112	US\$169

B. ACCOMMODATION AT AAMBY VALLEY

The accommodation has been arranged at the venue i.e. Aamby Valley. Aamby Valley is independent India's first planned, self-contained aspirational city, remarkable for its unsurpassed grandeur and plush signature features. In a league of its own, Aamby Valley City is being developed to be among the top five Destination cities in the world. The City, in the cusp of pristine nature, aesthetically combines the all-encompassing facets of luxurious living, business conveniences, leisure and recreation. A highly conducive weather, misty mountain peaks, luxuriant foliage, the enchanting gardens, Fountains of ecstasy, the exotic wilds, serene lascivious lakes, the gentle balmy mountain breeze, redolence of mountain blooms add to the mystique and grandeur of Aamby Valley City. For details, please visit the website of the Aamby Valley City viz. www.aambyvalleycity.com



40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

Type / No. of Rooms available	Accommodation Charges for Two Nights (Check in from 12 Noon of 4th October, 2012 and Checkout by 10 AM of 6th October, 2012) (in Rs. all inclusive)			
	Twin Sharing Basis (Two Delegates in One Room, Charges Per Delegate)	Single Occupancy Basis (Only One Delegate in One Room)	Double Occupancy Basis (Delegates with Spouse or Any other Delegate)	Triple Occupancy (Three Delegates in One Room subject to pairing by delegates themselves. The entire payment/settlement has to be made/ arranged by the concerned delegate who shall be booking the accommodation on behalf of other two delegates.)
Supreme/Pyramid Cottage (80)	Rs.7500	Rs.13000	Rs.15000	Rs.17000
Town Plaza Cottage (50)	Rs.8000	Rs.14000	Rs.16000	Rs.18000
Aussie Chalet Room (195)	Rs.9000	Rs.16000	Rs.18000	Rs.20000

* for payment in US Dollars, the exchange rate on the date of booking will be applicable.

Note :

- Delegates are required to remit an additional amount of Rs.4050/- inclusive of Service Tax in respect of accompanying children above 5 years but below 18 years towards extra bed with breakfast.
- If the accommodation is not available in the preferred category, the accommodation will be arranged in the available categories. Accordingly, if the accommodation is arranged in higher category, the delegates will be required to remit the balance amount before checkin. Conversely, if the accommodation is arranged in the lower category, the excess amount will be refunded directly to the delegates by the Institute.
- Aamby Valley will provide accommodation for Drivers and charge @Rs.1500/- per day + Service Tax inclusive of meals in the service area. The payment has to be made directly to Aamby Valley only while availing the service.
- Transport facility within the Aamby Valley City will be provided by the Aamby Valley.
- Delegates coming in their own vehicle will be provided car parking sticker, without which vehicles will not be allowed to enter Aamby Valley.
- Delegates are requested to park their vehicles in specified parking area earmarked by Aamby Valley.
- Delegates are requested to carry delegate badge while going out of Aamby Valley.
- Delegates may please refer to Welcome letter, Facilities available at Aamby valley with rate cards for Spa, Golf Massage, Angling, etc to be put up in individual rooms.
- Delegates opting for accommodation other than Aamby Valley will have to pay extra for the Breakfast, if availed from Aamby Valley.

Residential Package in Aamby Valley includes stay from 04.10.2012 (12 Noon) to 06.10.2012 (10 AM), Breakfast(2), Lunch (3), Dinner(2), Morning /Evening Tea/ Coffee with cookies , Convention Bag & Kit, Cultural Programme on two evenings, Traditional Welcome, Welcome drink on arrival, 1

round Cookies and Biscuits in the Room, Tea/Coffee Machine in the Room, 2 bottles of packed drinking water per day per person in the room, Complimentary use of swimming pool at the Mini Club & Lagoon Complex, Wave Pool at Lagoon Complex, Usage of Gym & Pontoon Boat Rides, Internal transport i.e. within Aamby Valley City only. Children below 5 years sharing the room with parents without extra bed complimentary, 25% discount will be given on laundry, telephones, and internet, 15% discount on room service and all other services available at Aamby Valley city(Discounts are not applicable at the Sahara unique, Gundecha Jewels, The Stuff, Baskin Robbins, The transport department & Golf Course pro shop).

Contact details of Aamby Valley	Distances from
Aamby Valley District Pune -410401 Tel. : 020-22900000 Fax : 020-22965040 Website : www.aambyvalleycity.com	Mumbai : 132 Kms. Pune : 110 Kms. Lonavala : 22 Kms.

HOW TO REACH AAMBY VALLEY

From Mumbai & Pune, delegates may reach Aamby Valley via Expressway to Lonavala and then take the route past Bushi Dam to the valley.

IMPORTANT :

- Checkin time is 12 Noon (4th October, 2012) and Checkout time is 10 AM (6th October, 2012). Early Checkin/ Late Checkouts will be subject to availability of rooms. Delegates may please recheck with the hotel regarding applicability of extra charges before availing the early checkin/ late checkout facilities.
- Interested delegates may send their requests alongwith the requisite tariff in full (non-refundable) for booking their accommodation in the aforesaid hotel.
- Delegates have to pay for their other expenses including overstay (subject to availability of rooms) to the Hotel directly at the time of service.
- No separate room-wise bill will be issued by the Hotel and the delegates may remit the balance amount, if any, after adjusting the advance amount remitted to the Institute and obtain receipt for the same.
- Rooms will be allotted on First-Come-First-Served Basis on receipt of requisite payment in the Institute subject to availability. If rooms are not available at the time of receipt of payment, the delegates will be kept in the waiting list or the payment received will be refunded.
- Rooms will only be booked / confirmed on receipt of actual payment in the Institute. Merely sending the request through E-Mail/ Phone without the requisite payment is not sufficient for booking the accommodation.
- The delegate fee and hotel accommodation charges are non-refundable.

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

8. Delegate Fee and Hotel Accommodation Charges are to be remitted in advance alongwith the Delegate Registration Form duly filled up and signed.
9. Delegates may please collect separate Lunch and Dinner Coupons for themselves, Accompanying Spouse, Children (above 5 years but below 18 years) and the coupons are essentially required to be handed over to the catering staff at the food counters.
10. Delegates/ Sponsoring Organisations desirous of making payments through Electronic Transfer may please refer to the NEFT Mandate. The details regarding the remittance through NEFT mode is required to be sent to the Institute for verifying the receipt of the payment.
11. Early Bird Discount on Delegate Fee is subject to receipt of the payment in the Institute on or before 30th August, 2012.
12. For any query pertaining to Delegate Registration/ accommodation in Aamby Valley, please contact Mr. Sohan Lal, Director / Mr. K P Sasi, Desk Officer at Tel. No. 0120-4522014 or at E-Mail id sohan.lal@icsi.edu

The Delegate Fee, Accommodation Fee, etc. is payable in advance and is not refundable once the nomination is received. The registration form duly completed along with a crossed payable at par cheque / demand draft drawn in favour of **The Institute of Company Secretaries of India** payable at **New Delhi** may please be sent to **The Institute of Company Secretaries of India, C-37, Sector-62, Noida - 201 309**. The delegate registration form is attached herewith.

C. OTHER HOTELS (AT LONAVALA)

A list of some other Hotels located at Lonavala is also published elsewhere in this journal alongwith their tariff and other details for convenience of the delegates. Interested delegates who desire hotel accommodation in these hotels may directly book the accommodation at a hotel of their preference. The tariff and other details has been obtained from the hotels through various sources and no formal agreement has been entered into with them. There may be variation in the tariff and other benefits offered by the hotels and the delegates, if so desired, may negotiate with the hotels directly. As the booking in such hotels will be made by the delegates directly, they may not send the hotel accommodation charges to the Institute.

D. TRANSPORTATION ARRANGEMENTS FROM MUMBAI, PUNE & LONAVALA TO AMBY VALLEY

Special transportation arrangements are being made from Pune and Mumbai to Aamby Valley in the morning hours of 4th October, 2012 at pre-fixed timings. Members desirous of availing the said facility may send their option to the Institute.

FROM	PICK UP POINT	BUSES WILL DEPART DURING
MUMBAI	Airport	7:30 AM - 9:00 AM
	Dadar Railway station	7:30 AM - 9:00 AM
	CCGRT, Belapur	8:30 AM - 10:00 AM
Pune	Airport / Railway Station	7:00 AM - 9:00 AM
Lonavala	Railway Station	9:00 AM - 12:00 Noon

IMPORTANT :

1. Delegates are requested to provide their option for availing the transport facility with the details of the pick up point and time of their choice.
2. The Institute will try to accommodate all requests received upto 25th September, 2012.
3. Delegates who will be reaching the pick up point without prior intimation may be considered subject to availability of seats.
4. The Institute will not be taking any responsibility if delegates fail to report at the respective pickup points at the pre-defined timings. In such a scenario, they will have to make their own arrangements for travelling to Aamby Valley.
5. Delegates who fail to report before time, may be considered to be accommodated in the next bus subject to availability of seats.
6. The timings are subject to change depending upon the availability of delegates.
7. Packed breakfasts/ snacks will be served in the buses.

NATIONAL ELECTRONIC FUNDS TRANSFER (NEFT) (For NEFT Mandate Please visit www.icsi.edu)

Programme Credit Hours

Members of the Institute will be entitled to 10 (ten) Programme Credit Hours.

Students attending National Convention would be deemed to have complied with the requirement of attending 25 (Twenty Five) hours of Professional Development Programme (PDP).

Background Papers

A soft copy of the Backgrounder & Pilot Papers will be sent in advance to delegates whose nominations are received on or before August 31, 2012.

Accompanying Spouse and Children

Accompanying spouse and children registered for the Convention will be eligible to participate in Lunch, Dinner, Cultural Evening and other attractions of the Convention.

Venue of the Convention

Aamby Valley

District Pune -410401

Tel. : 020-22900000

Fax : 020-22965040

Website : www.aambyvalleycity.com

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

DELEGATE REGISTRATION FORM

The Secretary & Chief Executive Officer

The Institute of Company Secretaries of India,
C-37, Sector - 62, Institutional Area, Noida - 201 309

FOR OFFICE USE

Date of Receipt

Delegate Registration No.

Dear Sir,

Please register Mr./ Ms. as a delegate for attending the 40th National Convention of Company Secretaries to be held during October 4-6, 2012 at Aamby Valley, Mumbai. The particulars of the delegate are as under :-

1.	Name of the Delegate			
2.	Designation			
3.	Name and Address of the Organization (Professional Address) (may attach Visiting Card)		Address of the Delegate (for correspondence pertaining to 40th National Convention)	
4.	E-Mail		Mobile No.	
5.	Telephone Numbers(incl. STD Code)		Fax Numbers	
6.	If Senior Citizen, Date of Birth		option for transport Facility to Amby Valley (please refer Para D)	Pickup point Time
7.	a) ACS/FCS NO.,	b) CP NO.	c) Student Regn. No.	d) ICAI/ ICWAI Membership No.
8.	Name of Accompanying Spouse / Guest			Non.Veg Veg.
9.	Details of Payment		Rs.	
(i)	Delegate Fee (Member of ICSI, ICAI or ICWAI/ Non-Member/ Student/ CP Holder/ Member above 60 Years/ Foreign Delegate)			
(ii)	Accompanying Spouse Fee			
(iii)	Amount for Hotel Booking from 4.10.2012 (Check in 12:00 Noon) to 6.10.2012 (Checkout 10:00 AM) TTick whichever is applicable) at Aamby Vally			
	Occupancy Basis	Category of Room' (please tick whichever is applicable)	Supreme/ Pyramid Cottage Town Plaza Cottage Aussie Chalet Room	
	• Twin Sharing Basis			
	• Single Occupancy Basis			Rs.
	• Double Occupancy Basis			Rs.
	• Triple Occupancy Basis (consolidated payment for all three delegates to be remitted) (*) Name of Other Two Delegates / Guests			Rs.
	1.	2.		
	• Additional Charges in respect of Accompanying Children			Rs.
	Total Amount			Rs.
10.	Details of Payment			
	Bank Draft/ Payable At Par Cheque bearing No. dated..... for Rs. favouring "The Institute of Company Secretaries of India" payable at New Delhi OR Fee Acknowledgement bearing No. dated for Rs. is attached. Amount transferred to Institute's Bank Account through NEFT Mode on vide Transaction Number			

Yours faithfully,

(Signature of the Sponsoring Authority/ Delegate)

Notes :

- Kindly mention your E-Mail Id / Mobile Number in this form legibly. Delegate Registration Letter / Confirmation of Hotel Accommodation will be sent by E-Mail.
- In view of limited availability of hotel accommodation, even after remitting the requisite fee, kindly DO NOT treat the booking as confirmed until a formal confirmation is received by you from the Institute.

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Sponsorship/Advertisement Tariff

1. Principal Sponsor	2100000
- One special full page advertisement in the Souvenir	
- Delegate fee (non-residential) exemption	15 delegates
- Display at Convention Backdrop	
- Special acknowledgement	
2. Co-Sponsor	1100000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	10 Delegates
- Display at Convention Backdrop	
- Special acknowledgement	
3. Sponsorship for Bags	1000000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	8 delegates
- Display at the Convention Backdrop	
- Acknowledging Support	
4. Sponsorship for Dinner	1200000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	9 Delegates
- Display at Convention and Dinner site	
- Special acknowledgement	
5. Sponsorship for Lunch	1000000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	9 Delegates
- Display at Convention and Lunch site	
- Special acknowledgement	
6. Sponsorship for High Tea	500000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	3 Delegates
- Display at the Site of High Tea	
- Acknowledging Support	
7. Platinum Sponsor	400000
- One special full page advertisement in the Souvenir	
- Delegate fee(non-residential) exemption	3 Delegates
- Display at Convention Site	
- Acknowledging Support	
8. Golden Sponsor	300,000
- One special full page advertisement	

in the Souvenir	
- Delegate fee(non-residential) exemption	2 Delegates
- Display at Convention Site	
- Acknowledging Support	
9. Silver Sponsor	200,000
- One special full page advertisement in the Souvenir	1 Delegate
- Display at Convention Site	
- Acknowledging Support	
10. Souvenir Sponsor	500000
11. Cultural Programme Sponsor	500000
12. ADVERTISEMENTS IN SOUVENIR	
Back Cover (Display of one banner)	100,000
Third Cover (Display of one banner)	75,000
Second Cover(Display of one banner)	75,000
Special F.Page (coloured printing)	50,000
Full Page (B/W)	25,000
Half Page	15,000
13. Banner	
(I) 8' x 3' + Spl. Full Page	
Advertisement (Colour)	1,00,000
(I) 8' x 3'	50,000
(II) 6' X 3'	35000
14. Stall	
6' X 6'	50,000
15. Distribution of Publicity Material, literature, Pen/Pad etc.	100,000
16. Sponsorship of Pen/ Pad	100,000
17. MISCELLANEOUS	
1. For any member who procures advertisements above Rs. 2,00,000	
● Delegate fee (non-residential) exemption for 2 delegates	
2. For any member who procures advertisements above Rs. 1,00,000	
● Delegate fee (non-residential) exemption for 1 delegate	
3. 10% Incentive to the Chapter for procuring any of above sponsorships / advertisements	

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SPONSORSHIP/ADVERTISEMENT FORM

The Secretary & Chief Executive Officer
The Institute of Company Secretaries of India
ICSI House, 22, Institutional Area
Lodi Road, New Delhi - 110 003

We are pleased to sponsor the following activities at the 40th National Convention of Company Secretaries

Dates : October 4-6, 2012

Venue : Aamby Valley, Mumbai

- Principal Sponsor ☐
- Co-Sponsor ☐
- Sponsorship for Dinner ☐
- Sponsorship for Bags ☐
- Sponsorship for Lunch ☐
- Sponsorship for High Tea ☐
- Souvenir Sponsor ☐
- Cultural Programme Sponsor ☐
- Platinum Sponsor ☐
- Golden Sponsor ☐
- Silver Sponsor ☐
- Advertisements in Souvenir ☐
 - ☐ Back Cover ☐ Second Cover ☐ Third Cover
 - ☐ Special Full Page (colour printing)
- ☐ Full Page (B&W) ☐ Half Page (B&W)
- 11. Advertisements in Backgrounder
 - ☐ Back Cover ☐ Second Cover ☐ Third Cover
- 12. Banner ☐
- 13. Stall ☐
- 14. Distribution of Publicity Material, Literature, Pen/Pad etc. ☐

We are forwarding herewith draft /cheque for Rs. drawn in favour of **"The Institute of Company Secretaries of India"** payable at New Delhi.

* The advertisement Matter / Art Work / Bromide / CD is / are enclosed / being sent separately.

Yours sincerely,

(Signature)
Sponsoring Authority

Date

Name of the Organisation
.....
Address
.....
..... PIN.....
Tel./Mobile No.

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

HOTEL TARIFFS & DISTANCE FROM VENUE/ RAILWAY STATION/ AIRPORT, ETC.

SL NO.	HOTEL	INDICATIVE TARIFF/ RENT (PER ROOM/ NIGHT IN RS.)	OTHER FACILITIES/ COMPLIMENTARIES	DISTANCES FROM HOTEL (KMS.)		
				Venue	Airport (Pune)	Rly. Stn. (Lonavala)
1	HOTEL SAPPHIRE PLOT NO. 75/11/12, NEAR L&T TRAINING CENTRE, GOLD VALLEY ROAD, NEW TUNGARLI, LONAVALA Tel. : 02114-324048/ 323350 Fax : 02114-279507 <i>E-Mail : hotelsapphire@gmail.com</i> <i>Website : www.hotelsapphire.co.in</i>	4000 on SO 5000 on DO (without Lunch & Dinner) 4500 on SO 6000 on DO (with Lunch & Dinner)	<ul style="list-style-type: none"> Standard Rooms Checkin & Checkout Time : 10 A.M. Checkouts beyond 11 AM full day tariff applicable Children below 10 years free. Above that Rs. 1000 per night. Swimming Pool, Indoor Games, Gym, etc. 	20	70	10 minutes drive
2	COSSET-A BOUTIQUE HOTEL, MUMBAI-PUNE ROAD, LONAVALA TEL. : 9823138381, 02114-271425/ 275425 <i>E-Mail : rahulsethi321@yahoo.com</i>	3500+ Taxes	<ul style="list-style-type: none"> Checkin 12 Noon & Checkout 11 AM Extra Bed : Rs.750 per night Lunch/ Dinner : Approx Rs.350 (per pax) Welcome Drink Tea/ Coffee Makers in the Room 10% special discount at Hotel's premium Chikki Outlet Net cricket - subject to the car park condition Karaoke (only for groups) 	25	60	1.5
3	LAGOONA RESORT, S. NO. 55, TUNGARLI VILLAGE LONAVALA TEL. : 02114-279786 FAX. : 02114-273818 <i>E-Mail : info@thelagoonresort.com</i> <i>Website : www.thelagoonresort.com</i>	5500 on SO; 6000 on DO (without Lunch & Dinner) 6500 on SO & 7000 on DO (with Lunch & Dinner)	<ul style="list-style-type: none"> Welcome Drink Tea/ Coffee Makers in the room Cookies/ Fruits in the room 20% discount on room service, laundry, telephone, etc. Iron Box on request Checkin 12 Noon & Checkout 11 AM Extra Bed : Rs.2000 per night For Children : Rs. 1500 per night 	25	60	1
4	BIJI'S HOTEL, OFF MUMBAI-PUNE HIGHWAY, NEW TUNGARLI ROAD, LONAVALA TEL. : 02114-279654/5 FAX : 02114-279656 <i>E-Mail : bijishotelonavla@gmail.com</i> <i>Website : www.bijishotel.com</i>	5000 + taxes on SO; 6000 + taxes on DO	<ul style="list-style-type: none"> Welcome Drink Tea/ Coffee Makers in the rooms Cookies/ Fruits in the room Early Checkin subject to availability Extra bed : Rs.1500 per person Children upto 5 years : Complimentary 5-12 years : Rs.1000 per night, : 12-18 years Rs.1500 per night. Spa, Steam, Sauna, Jacuzzi on Chargeable basis 	16	45	1.5

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

HOTEL TARIFFS & DISTANCE FROM VENUE/ RAILWAY STATION/ AIRPORT, ETC.

SL NO.	HOTEL	INDICATIVE TARIFF/ RENT (PER ROOM/ NIGHT IN RS.)	OTHER FACILITIES/ COMPLIMENTARIES	DISTANCES FROM HOTEL (KMS.)		
				Venue	Airport (Pune)	Rly. Stn. (Lonavala)
5	CLOUD 9 RESORTS, AMBEY VALLEY ROAD, VILLAGE: JAMBULENE, TAL. MULSHI, LONAVALA TEL. : 9833350566 <i>E-Mail : cloud9hillresort@gmail.com</i> <i>Website : www.colud9lonavala.com</i>	5250 - 8750 on DO depending upon the type of room inclusive of all meals and taxes	<ul style="list-style-type: none"> ● Welcome Drink ● Deluxe Cottage/ Hill Top Deluxe Cottage/ Super Deluxe/ Hill Top Luxury Suite, etc. ● Checkin : 12 Noon and Checkout 10 AM ● Indoor games like Carrom, Chess, etc. ● Children upto 5 years complimentary; above 5 years, Rs.1500 per child including all meal and taxes 	6	115 (Mumbai)	16
6	REVENIR HOLIDAYS, PLOT NO.5, OPP. LAGOONA RESORT TUNGARLI LONAVALA TEL. : 02114-277592/ 272190 <i>E-Mail : info@revenirholidays.com</i> <i>Website : www.revenirholidays.com</i>	3750 + taxes on SO/ DO/ TO	<ul style="list-style-type: none"> ● Welcome Drink ● Cookies/ Fruits in the room ● Swimming Pool ● Children below 12 years complimentary with breakfast; Above 12 years will be chargeable. 	30	65 (Pune)	3
7	THE RETREAT RESORT, PLOT NO. 20 (PT.) + 21, NEAR GURUKUL SCHOOL, TUNGARLI, LONAVALA TEL. : 02114-270448 <i>E-Mail : theretreatresorts@gmail.com</i> <i>Website : www.theretreatresorts.com</i>	2750 on SO, 5000 on DO, 6600 on TO	<ul style="list-style-type: none"> ● Luxury/ Deluxe/ Suit Rooms ● Welcome Drink ● Tea/ Coffee Makers in the rooms ● Early Checkin subject to availability ● Children upto 8 years - Rs.1500 extra per child ● Indoor Games like Carrom, Table Tennis, etc. 	23	70	1
8	SAI MORESHWAR RESORT, PLOT NO. 5, S.NO.1764/4, FARIYAS HOTEL TURN, LONAVALA TEL. : 02114-277381/ 277361 <i>E-Mail : saimoreshwar@gmail.com</i> <i>Website : www.saimoreshwarhotels.com</i>	2583 - 4110 on SO/ DO depending upon the type of room	<ul style="list-style-type: none"> ● Standard/ Deluxe/ Suit Rooms ● Welcome Drink ● Tea/ Coffee Makers in room ● Iron Box on request ● Early Checkin subject to availability ● Extra Bed : Rs.1000 per person ● Lunch/ Dinner : Rs.850 per person per day ● Children upto 12 years complimentary, Above 12 years fully chargeable ● Indoor Games, Swimming Pool ● Sauna, Steam, Jacuzzi, etc. on chargeable basis 	25	70	1.5

40TH NATIONAL CONVENTION OF COMPANY SECRETARIES

HOTEL TARIFFS & DISTANCE FROM VENUE/ RAILWAY STATION/ AIRPORT, ETC.

SL NO.	HOTEL	INDICATIVE TARIFF/ RENT (PER ROOM/ NIGHT IN RS.)	OTHER FACILITIES/ COMPLIMENTARIES	DISTANCES FROM HOTEL (KMS.)		
				Venue	Airport (Pune)	Rly. Stn. (Lonavala)
9	FERIYAS RESORT, FRICHLEY HILLS, TUNGARLI, LONAVALA TEL. : 02114-273852/4/5 Fax : 02114 272080 <i>E-Mail : lonavlasales@fariyas.com</i> <i>Website : www.fariyas.com</i>	7000 + taxes on SO 8000 + taxes on TO Inclusive of all meals	<ul style="list-style-type: none"> • Welcome Drink • Tea/ Coffee Makers in the room • Sauna, Steam, Jacuzzi, etc. on chargeable basis • Early Checkin subject to availability on chargeable basis • Extra Bed : Rs.3500 + taxes • Children upto 5 years complimentary, 5-12 years : Rs.2000, 12-18 years : Rs.3000 • Indoor Games like Carrom, Swimming Pool, Water Park, Gym & Pool Side Games, etc. 	--	95 (Mumbai) 65 (Pune)	3

Lonavala STD Code : 02114 SO/ DO/ TO : Single/ Double/ Triple Occupancy Basis

IMPORTANT INSTRUCTIONS :

1. Delegates may book their accommodation directly with these hotels and they may not send any amount on account of hotel accommodation to the Institute. They are also requested to settle their bills at the time of Checkout at the hotel itself.
2. There are different types of rooms in each hotel with varying tariff.
3. Delegates may negotiate with these hotels for better rates.
4. The rates/ taxes are indicative and subject to change without notice.
5. Refund of hotel accommodation charges once paid by the delegate to the hotels would depend purely on the policy of the Hotel. The Institute will not be responsible in any way for the refund of advance payment made to these hotels.





Attention Members

Filing of Balance Sheet and Profit and Loss Account in Extensible Business Reporting Language (XBRL) Mode for financial year commencing on or after 1.4.2011.

The Ministry of Corporate Affairs vide its General Circular No. 16/2012 dated 6 July, 2012 has mandated the following select class of companies to file their Balance Sheet and Profit & Loss Account and other documents as required u/s 220 of Companies Act, 1956 with the Registrar of Companies for the financial year ending on or after 31 st March, 2011 in XBRL mode:

- (i) all companies listed with any Stock Exchange(s) in India and their Indian subsidiaries; or
- (ii) all companies having paid up capital of Rupees five crore and above; or
- (iii) all companies having turnover of Rupees one hundred crore and above; or
- (iv) all companies who were required to file their financial statements for FY 2010-11, using XBRL mode.

However, banking companies, insurance companies, power companies and Non-Banking Financial Companies (NBFCs) are exempted from XBRL filing till further orders.

The applicable taxonomy as per Schedule VI of the Companies Act, 1956 is being placed on the Ministry's website www.mca.gov.in. The Business Rules, validation tools, etc. required for preparing the financial statements in XBRL format, as per the revised Schedule-VI and Accounting Standards would soon also be made available by the Ministry.

All companies referred to above, will be allowed to file their financial statements in XBRL mode without any additional fee/ penalty upto 15th November, 2012 or within 30 days from the date of their AGM, whichever is later.

All professional colleagues are requested to ensure correct, error free tagging and successful and efficient XBRL filing for current year as well. Any queries related to XBRL filing may be directed to MCA helpdesk at the respective email id

Queries	Contact Email ids.
Taxonomy Related	avinash@icai.org , xbtl@icai.org
Software & Filing Manual Related	xbtl.technical@mca.gov.in
Policy & Other Matter Related	pankaj.srivastava@nic.in , dirad4-mca@nic.in , uttam.nahta@mca.gov.in

Corporate Secretaries International Association



Press Release

July 20, 2012

CORPORATE SECRETARIES INTERNATIONAL ASSOCIATION (CSIA) STATES ITS CASE TO THE WORLD TRADE ORGANISATION (WTO) FOR INCLUSION OF US\$36 BILLION BUSINESS SECTOR IN WTO TRADE IN SERVICES LISTINGS

CSIA today reported that a delegation of its members made a presentation before the Committee on Specific Commitments of the World Trade Organization (WTO) on June 25, 2012 in Geneva, Switzerland to include a new listing in the Trade in Services business classification listings by the name of 'CORPORATE GOVERNANCE, COMPLIANCE AND SECRETARIAL ADVISORY SERVICES'. CSIA claims this sector is worth US\$36 billion annually.

CSIA was invited to make a presentation before the Committee on Specific Commitments of WTO. Accordingly a delegation of CSIA representatives went to Geneva for the presentation.

The CSIA delegation consisted of Mr. Anil Murarka, the then President of CSIA and Past President of the Institute of Company Secretaries of India (ICSI); Mr. Nesar Ahmad, President of ICSI; Mrs. April Chan, Past President of both CSIA and The Hong Kong Institute of Chartered Secretaries; Mr. Phillip Baldwin, Chief Executive of The Hong Kong Institute of Chartered Secretaries; Ms. Edith Shih, President of The Hong Kong Institute of Chartered Secretaries and; Mr. Russell Morrice, Head of Secretariat and Clerk to Council of The Institute of Chartered Secretaries and Administrators (UK).

"This was truly a global initiative by a global organisation that we believe will benefit world trade," said Mr. Anil Murarka, President of CSIA. "While the delegation was limited to those members from Hong Kong, the United Kingdom and India we were representing all 18 national bodies of corporate secretaries and governance professionals that make up the membership of CSIA. All of them played a part by lobbying their national governments prior to the presentation."

He added "The challenge now is to keep the momentum going. CSIA is adding members all the time and each new member adds their voice and weight to the inclusion of this US\$36 billion business sector which can grow even faster if it has official recognition by the WTO. The world needs more trade and CSIA is of the opinion that official recognition of corporate governance, compliance and secretarial advisory services by the WTO will stimulate growth by more than US\$1.5 billion per annum as well as help improve international corporate governance standards."

The creation of this new classification was one of the CSIA initiatives the organisation has been pursuing since its launch in March 2010. The proposed new service head would include the following sub-heads:

- Corporate Governance Services
- Assimilation of Core Values, Ethics and Integrity

- Corporate Secretarial Services
- Secretarial Audit and Compliance Audit Services
- Certification Services
- Corporate Advisory Services



"It was a big day for CSIA. We are a young organisation but growing almost daily in terms of members," Mr. Murarka continued, "Corporate secretaries and governance professionals are distinct professionals who take the lead on corporate governance issues within their own organisations. The recognition of a new sectoral heading will provide such formal recognition of this profession"

The inclusion of new service head will facilitate the rendering of Services by the professionals under Mode 3 & Mode 4 of the Supply of the services specified under the GATS.

The CSIA position is that during the last decade the concept of corporate governance has significantly evolved around the world and therefore there is a need to establish a separate identity for the corporate governance services at a global level by seeking a separate heading in the WTO service sectoral classification list which was created way back in 1991 when the concept of corporate governance was not much prevalent as in the present scenario.

At the meeting of WTO's Committee on Specific Commitments encouraging remarks were made to the CSIA proposal by the Country representatives to WTO from China, Hong Kong, India, Nigeria, Malaysia and Zimbabwe.

At a separate meeting, South Africa & Indonesia representatives also made encouraging remarks to the CSIA proposal.

The Chairman of WTO's Committee on Specific Commitments concluded CSIA item by noting the interest and supporting remarks of country representatives and agreeing that the proposal may be an item for further discussion.

About CSIA

Corporate Secretaries International Association (CSIA) is a Geneva based Global Body of Corporate Secretaries and Governance Professionals which was launched in March 2010. It consists of 18 member institutes from Australia, Bangladesh, Canada, Hong Kong, India, Indonesia, Kenya, Malaysia, Mongolia, New Zealand, Nigeria, Pakistan, Singapore, South Africa, Sri Lanka, UK, USA, Zimbabwe.

CSIA is dedicated to promoting the values and practices of governance professionals such as qualified chartered secretaries, corporate secretaries, company secretaries and board secretaries who are at the frontline of governance.

The founder members of CSIA are Chartered Secretaries **Australia** Limited, The **Hong Kong** Institute of Chartered Secretaries, The Institute of Company Secretaries of **India**, The **Malaysian** Institute of Chartered Secretaries and Administrators, The **Singapore** Association of Institute of Chartered Secretaries and Administrators, Chartered Secretaries **Southern Africa**, The Institute of Chartered Secretaries and Administrators-**UK**, The Institute of Chartered Secretaries and Administrators in **Zimbabwe**.



Our Members

APPEAL TO THE MEMBERS

With profound grief, we inform the sad demise of CS Dinesh Tomar ACS-10300 on 4th December, 2011.

Dinesh was born on 22nd July, 1967 and became the member of ICSI on 20th March, 1995. Dinesh hailed from Delhi. He passed away in an accident. He was married and has left a son who is of 8 years old.

This mis-happening re-affirms that future is uncertain. However, with our help we can, to some extent, secure the future of the bereaved family members, of our friend. Unfortunately, the deceased member was not a member of the Company Secretaries Benevolent Fund (CSBF). This incidence highlights the need for all of us to become CSBF member.

Let us unite together and help the family of Late Dinesh Tomar in this hour of distress.

NIRC of the ICSI calls upon all the members to come forward and generously help the family of the deceased member.

The members may send the donations by way of :-

- Cheque / DD drawn in favour of 'Company Secretaries Benevolent Fund';
- The Cheque / DD may be payable at the place of Regional Council/ Chapter where the donor wants to submit it or the donor can send the Cheque / DD, payable at Delhi, directly to the HQ;
- The donors are requested to write his name, address, PAN No. and purpose of donation (donation for the family of Late Dinesh Tomar) on the reverse of the cheque / DD and send the Cheque / DD to the HQ/ Regional Council / Chapter ;
- Receipt u/s 80G would be issued by CSBF and sent to the concerned donors at the address given on the reverse of the Cheque / DD under intimation to the concerned Regional Council/ Chapter.

The names of the donors will be published in the next issue of Chartered Secretary as a token of our acknowledgement.

Voluntary Obtaining of Secretarial Audit Report

Consequent to the announcements being published regularly in Chartered Secretary with regard to voluntarily obtaining of Secretarial Audit Report from Practising Company Secretary, the Institute is pleased to publish that **Infotech Enterprises Limited** has reported obtaining voluntarily Secretarial Audit Report for the financial year 2011-2012. The company is listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited. The company, has a paid-up share capital of more than ₹1000 crores, and has voluntarily obtained the Secretarial Audit Report from a Practising Company Secretary. Company has also voluntarily adopted and substantially complied with ICSI Secretarial Standards on meetings of board of directors, general meetings, dividend, registers and returns, minutes, transmission of shares, passing of resolutions by circulation, affixing of common seal and board's report.

CS QUIZ

Prize query

Can a company resort to extinguish the shares held by an objector holder thereof through a scheme of reduction of capital opposed only by the objector in a meeting convened for approval thereof?

Conditions

- Answers should not exceed one typed page in double space.
- Last date for receipt of answer is 8th September, 2012.
- Two best answers will be awarded Rs. 1000 each in cash and the names of the contributors will be published in the journal.
- The envelope should be superscribed '**Prize Query August, 2012 Issue**' and addressed by name to :

N. K. Jain, Editor

The Institute of Company Secretaries of India, 'ICSI House', 22, Institutional Area, Lodi Road, New Delhi-110003.

OBITUARY



Shri Manmohan Singh

With deep sense of sadness we express our heartfelt condolences on the sad demise of Shri Manmohan Singh, a Fellow Member of the Institute on 19th July, 2012 at New Delhi.

Born on 24th April, 1929 Shri Singh, was one of the senior members of the Institute. His valuable contribution as Honorary Editor for several years during eighties and also member of the Editorial Advisory Board, helped Chartered Secretary - monthly journal of the Institute, achieve acclaim value among the professionals and corporates.

Shri Manmohan Singh became an Associate Member of the Institute as early as 10th March, 1972 and Fellow Member of the Institute w.e.f. 20th June, 1980.

May the Almighty give courage and strength to the family members and near and dear ones to bear this irreparable loss.

May the departed soul rest in eternal peace.



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