

CHARTERED SECRETARY

THE JOURNAL FOR CORPORATE PROFESSIONALS

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Vision &
Foresight
Management Planning Principle



THE INSTITUTE OF
Company Secretaries of India

IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament

COMPANY SECRETARIES BENEVOLENT FUND

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Safeguarding and caring for your well being



Application for life membership of CSBF has to be submitted in the prescribed Form -A (available on the website of the Institute i.e. www.icsi.edu) and should be accompanied by Demand Draft or Cheque (payable at par) for ₹ 7500/- drawn in favour of “**Company Secretaries Benevolent Fund**” payable at New Delhi and the same can be deposited in the offices of any of the Regional Councils located at Delhi, Kolkata, Chennai and Mumbai. However, for immediate action, the applications should be sent to **The Secretary & CEO, The Institute of Company Secretaries of India, 22, Institutional Area, Lodi Road, New Delhi -110 003.**

The members can also apply online by following the steps given below:

- a) The member has to visit the portal www.icsi.in
- b) The member has to login to self profile by selecting the option Member – Associate / Fellow
- c) The member has to enter his membership number.
- d) 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)
- e) After Logging in the member has to click on the link 'Request for CSBF Membership'.
- f) The member has to click on Download link to download the Form 'A' i.e. Form for admission as a Member of CSBF.
- g) The member has to fill up the form complete in all respects.
- h) The member has to scan the duly filled in form and upload the same.
- i) After uploading the scanned form the member has to click on 'Proceed for Payment' button for payment through net banking.
- j) A copy of the Acknowledgement Number generated may be retained by the member for future reference.

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Upto the age of 60 years

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For further information/clarification please contact Mrs. Meenakshi Gupta, Joint Director or Mr. J S N Murthy, Administrative Officer on telephone No. 011-45341049, Mobile No. 9868128682 or through e-mail Ids member@icsi.edu or csbf@icsi.edu

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December
2012

- 01 » 12th ICSI National Award for Excellence in Corporate Governance 2012 - Jury Meeting - President Nesar Ahmad welcoming Hon'ble Jus. M.N. Venkatachaliah (Former Chief Justice of India and Chairman of the Jury).
- 02 » 12th ICSI National Award for Excellence in Corporate Governance 2012 - Jury Meeting in Progress: Jus. M.N. Venkatachaliah chairing the meeting. Others sitting from left: Nesar Ahmad, Gopalakrishna Hegde, Naresh Chandra (Former Cabinet Secretary, Govt. of India), Y C Deveshwar (Chairman, ITC Ltd), Y M Deosthalee (CMD, L&T Finance Holdings Ltd.), Zia Mody (Managing Partner, AZB and Partners), P K Choudhury (Vice-Chairman & Group CEO, ICRA Ltd) and M.K. Gupta.
- 03 » Jury Meeting in Progress (Contd.) Sitting from Right: N.K. Jain, Justice N Santosh Hegde (Former Judge, Supreme Court of India), Dr. M.B. Athreya (Management Consultant), T.S. Krishna Murthy (Former Chief Election Commissioner of India), G.V. Prasad (Vice Chairman & CEO, Dr. Reddy's Laboratories Ltd.), Sutanu Sinha, Dr. S.K. Dixit, Alka Kapoor and Sonia Baijal.
- 04 » Chairman and Members of the Jury seen with Team ICSI - Sitting from Left: Y M Deosthalee, Dr. M B Athreya, Zia Mody, Justice N Santosh Hegde, Justice M N Venkatachaliah, Naresh Chandra, P K Choudhury, Y C Deveshwar, T.S. Krishna Murthy and G V Prasad (standing 7th from left.)
- 05 » ICSI Convocation 2012 held at Kolkata - Newly admitted Member receiving his membership Certificate from Chief Guest Dr. Samir Kumar Bandhyopadhyay (Vice Chancellor, West Bengal University of Technology). Others standing from Left: N.K. Jain, Nesar Ahmad and Ashok Pareek.
- 06 » ICSI Convocation 2012 held at Mumbai (ICSI - CCGRT) - Newly admitted Member receiving his membership Certificate from Chief Guest Dr. A.K. Sengupta (Director & Chair Professor of Finance Area, SIES College of Management Studies, Nerul). Others standing from Left: N K Jain, Atul Mehta, Nesar Ahmad, S.N. Ananthasubramanian and Mahavir Lunawat.
- 07 » ICSI Convocation 2012 held at New Delhi - Standing from Left: N K Jain, Nesar Ahmad, Chief Guest Dr. Ashok K Chauhan { Founder President of the Ritnand Belved Education Foundation (Amity Education Group)}, S N Ananthasubramanian and Rajiv Bajaj.
- 08 » ICSI Convocation 2012 held at Chennai - Standing on the dais from Left: S S Marthi, Nesar Ahmad, Chief Guest Prof. Dr. S Sudalaimuthu (Vice Chancellor, Alagappa University, Tamilnadu), R Sridharan and N K Jain.
- 09 » ICSI Convocation 2012 held at New Delhi- Group photo of newly admitted Members of the Institute.
- 10 » ICSI Convocation 2012 held at New Delhi - A view of the dignitaries, invitees and newly admitted Members of the Institute.
- 11 » EIRC - 23rd Regional Conference of Company Secretaries - Nesar Ahmad lighting the lamp to mark the inauguration. Others standing from Left: B.P. Dhanuka, Ranjeet Kanodia, Deepak Khaitan, D. Bandopadhyay (RoC, West Bengal) and Ashok Pareek.
- 12 » EIRC - Bhubaneswar Chapter - Programme on Modernised Competition Regime in India - G.R. Bhatia (Former ADG, CCI) addressing. Others sitting on the dais from Left: Debadatta Mohapatra, J.B. Das and A. Acharya.





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At a Glance

Special Feature

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ICSI-The Triumph of Leadership

N. K. Jain

The write-up captures briefly evolution of CS profession and transformation of ICSI in the last decade (2003-2012) in both qualitative and quantitative terms. The period has witnessed effective brand building, collaborations, credible research studies and publications, big push for globalization of the profession, series of path breaking initiatives on Corporate Governance, CSR and green Initiatives, Investor Education and Awareness, revision of syllabus to make it more contemporary, enhanced recognitions for CS profession, use of technology for better services to its stakeholders, increased interface with government and regulators, infrastructure development, human resource development, etc. During the period ICSI has witnessed record increase in revenue, general reserves, surplus, members admitted, students registered and students enrolled for examination.

Articles (A 479 - 535)

p- 1516

Supreme Court's decision in *Sahara India Real Estate Corporation Ltd. v. SEBI* The lesson to learn from

Dr. K. R. Chandratre

On 31st August 2012 the Supreme Court by a landmark judgment, directed two companies of the Sahara Group, (which had issued Optionally Fully Convertible Debentures (OFCDs) by a private placement offer by the boards of the two companies after special resolutions under section 81(1A) were passed at their general meetings, and an Information Memorandum (IM) was circulated among prospective investors after it was filed with the Registrar of Companies purportedly under section 60B of the Companies Act) to refund around Rs 17,400 crores to their investors within three months from the date of the order with an interest of 15% per annum. Confirming the findings of the Securities Appellate Tribunal (SAT), the SC further asked SEBI to probe into the matter and find out the actual investors who subscribed to the OFCDs. One of the issues before the SC was whether the issue of OFCDs was a private placement issue or a public issue so as not to fall within the purview of SEBI Regulations and various provisions of Companies Act. This was the most controversial and significant issue and after extensive discussion on the provisions of section 67 of the Companies Act, the Court held that although the intentions of the two companies were to make the issue of OFCDs as a private placement, their actions were incompatible with and contrary to their intentions and in the process the provisions of section 67(3) were violated. The judgment dwells upon several issues arising out of the provisions of the Companies Act and SEBI Act, Rules and Regulations concerning issue of securities have on which there was no authoritative interpretation.

Attitudinal shift in Corporate Functioning vis-à-vis Concern for Society

p- 1526

J. Sridhar

Corporate Social Responsibility (CSR) initiatives are now getting integrated with strategic management and corporate governance.

Companies are also addressing a much larger number of stakeholders than in the past. Social Responsibility may be no panacea for all business social problems, but it is something that must guide business in the future. Businesses are being asked to assume broader responsibilities to society than ever before and to serve a wide range of human values. In as much as business exists to serve society, its future will depend on the quality of management's response to the changing expectations of the public. CSR is successful only to the extent that it adds to the bottom-line. CSR can be sustainable only so long as it continues to add value to corporate success. CSR has an upbeat future in the global business arena. The 'business case' for CSR will always be the crux for success in CSR. While all practices of CSR cannot be profitable, the concept of Strategic Corporate Social Responsibility can be adopted through policies, programmes and processes, which yield substantial business related benefits to the firm.

Political Economy of Neo-Governments

p- 1530

M. S. Sahoo

The neo-governments provide public goods in public interest just as the government does. They have responsibilities and powers similar to those of the government. Yet they are not the government. The emergence of neo-governments to share governance with the government is a hard reality and the governance through neo-governments constitutes the most important governance reforms in the last few decades. There is a need for a comprehensive review of the experience so far of this mode of governance and use the learning to improve the spacing and design of the neo-governments within the constitutional schema. Based on the review, critical overarching principles may be written into a charter to guide the establishment as well as operations of the neo-governments irrespective of the sphere of governance.

Challenges in Formulation of Regulations Principle v. Rule based Regulations

p- 1545

Dr. V.R. Narasimhan

Regulator may enunciate the policy objective and expect the market players to behave responsibly to subscribe to the policy objective. Alternatively, Regulators may adopt a prescriptive approach to determine the behaviour of the regulated entities. The former is called "Principle Based Regulation" (PBR) and the latter is called "Rule Based Regulation". (RBR). A comparison of PBR and RBR and glimpse of international experience with PBR is given in the article. Indian regulator, whether it is said or not, adopts RBR approach to regulation. However, SEBI for the first time (Feb 2012) has taken stand of shifting to PBR at least with respect to advertisement and valuation of assets in Mutual Fund Regulations.

Reference to Shome Committee Regarding Retrospective Amendments - Hastily Conceived and Imperfectly Executed

p- 1550

T. N. Pandey

The author has analysed in the article the first part of the Shome Committee's report on the issue relating to retrospective amendments referred to it by the P.M. (as F.M.) on 30.07.12. The article contains an in-depth study on the various recommendations of the Committee, bringing out its weaknesses and how a report merely on income-tax aspect cannot be an incentive for generating investors' interest. A coordinated approach, covering various other areas, such as availability of land, power, skilled manpower, simple labour laws, congenial business environment,



infrastructure and easy to comply regulatory requirements, besides tax issues is necessary. Merely streamlining the tax laws will not do.

Human Rights Violations by Companies in India

p- 1555

Prof. Akshey Kumar

History is littered with innumerable instances of human rights abuses. Business houses have also indulged in indiscriminate and unabashed infringement of human rights violations while maximizing profits and unfortunately in most cases, the big sharks have escaped the clutches of the law of the land by using dubious methods and devices. The article highlights the trampling of human rights by companies in India. It highlights the yeomen's service rendered by the International Commission of Jurists, a non-governmental organization devoted to promoting the understanding and observance of the law and the legal protection of human rights throughout the world and draws extensively from the comprehensive and voluminous report delving into legal liability for corporations under Indian law, available legal remedies in case of abuses of human rights, legal and procedural obstacles and conclusions and recommendations. It advocates strong political will to take stringent swift actions against erring companies, creation of a special cell in the Ministry of Corporate Affairs to take *suo motu* notice of apprehension or incident of violations by a company, fullest protection to whistleblowers, creation of Special Benches in the High Courts and the Supreme Court to deal with violations and drafting of a well-documented model code of conduct to be followed by the companies.

Natco Pharma Ltd v. Bayer Corporation Compulsory Licence for a Pharmaceutical Product

p- 1566

T. Ramappa

Natco Pharma Ltd. v. Bayer Corporation is a very significant decision under section 84 of the Patents Act, 1970 as amended in 2005. The facts show that large pharmaceutical companies do not really transport into India the technology covered by the patents granted, but import the product and sell it at exorbitant prices far beyond the capacity of an average Indian to buy it on a continuing basis for a long time. The case showed beyond doubt that: reasonable requirements of the public were not satisfied in respect of the patented product, it was not available at a reasonably affordable price and that the product was not worked in India. Bayer refused to license the technology covered by the patent to Natco and opposed Natco's selling the product covered by the patent at a far lower price. The Controller of Patents overruled all the contentions of Bayer and granted a compulsory licence to Natco imposing certain conditions for the use of the process under the patent.

Legal World (LW 126 - 135)

p- 1574

- ◆ **LW 107.12.2012** The transactions entered into by the appellant are not in compliance with the requirements laid down for spot delivery contracts under section 2(i) of the SCRA and from this it flows that they are in violation of the provisions of sections 13 and 18 of the SCRA.[SAT]
- ◆ **LW 108.12.2012** Simply because interim order has been revoked against other brokers, it cannot be a ground for revoking the interim order against the appellants.[Sat]
- ◆ **LW 109.12.2012** By putting the item of rights issue on the agenda note and informing stock exchange about it, surely creates interest in the investors in the shares of the company and thereafter by not taking up the issue at all and not furnishing any reasons therefor and not informing

stock exchange about the outcome of the board meeting, in our view, will fall within the definition of fraud under the regulations.[SAT]

- ◆ **LW 110.12.2012** The penalty is attracted as soon as contravention of the statutory obligations as contemplated by the Act is established and, therefore, the intention of the parties committing such violation becomes immaterial.[SAT]
- ◆ **LW 111.12.2012** Supreme Court settles law as to compensation on deemed acquisition of land.
- ◆ **LW 112.12.2012** The cause of action for filing suit for the non-payment of lease rental for a particular month arose on the due date of the lease rental for such month.[DEL]
- ◆ **LW 113.12.2012** As the contract was executed at Thane, Delhi Court would have no jurisdiction to entertain the present suit, since undisputedly the Bank Guarantees were submitted at Thane and the contract was to be executed within the jurisdiction at Thane. [DEL]
- ◆ **LW 114.12.2012** The Court at Ratnagiri has jurisdiction to deal with and entertain appeal against the award, though passed by the arbitral tribunal by the consent of parties by holding meetings in Mumbai.[BOM]

From the Government (GN 265 - 273)

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- ◆ Filing of Balance Sheet and profit and Loss Account by companies in Non - XBRL for the accounting year commencing on or after 01.04.2011
- ◆ Examination of Balance Sheets by RoCs
- ◆ Appointment of Cost Auditor by Companies
- ◆ Default by the Cost Auditors in filing Form 23D against the corresponding Form 23C
- ◆ Inventory Management for Market Makers of SME Exchange/Platform
- ◆ Review of the Securities Lending and Borrowing (SLB) Framework
- ◆ Mini derivative (Futures & Options) contract on Index (Sensex & Nifty)
- ◆ Circular on Mutual Funds
- ◆ Participation of mutual funds in Credit Default Swaps (CDS) Market as Users ("Protection Buyers") and in repo, in corporate debt securities
- ◆ Arbitration Mechanism in Stock Exchanges
- ◆ Debt Allocation Mechanism for FII
- ◆ Establishment of Connectivity with both depositories NSDL and CDSL - Companies eligible for shifting from Trade for Trade Settlement (TFTS) to normal Rolling Settlement
- ◆ Change of Name in the Beneficial Owner (BO) Account

Other Highlights

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- ◆ CG & CSR Watch
- ◆ Members Admitted/ Restored
- ◆ Certificate of Practice Issued/Cancelled
- ◆ Licentiate ICSI Admitted
- ◆ News From the Regions
- ◆ Company Secretaries Benevolent Fund
- ◆ Our Members
- ◆ Appointment Advertisement
- ◆ Prize Query
- ◆ Application for restoration of Membership
- ◆ Application for the issue/renewal/restoration of certificate of practice
- ◆ List of Defaulters
- ◆ Advertisement tariff

Latest From Corporate Governance

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1. List of Code of Corporate Governance issued and updated during the year 2012 in various jurisdictions:

- Austrian Code of Corporate Governance ---- January 2012(Revised)
- Malaysian Code on Corporate Governance 2012 ---- March 2012(Revised)
- Code of Practice for Good Governance of Community, Voluntary and Charitable Organizations in Ireland ---- 20 March 2012 (New)
- Code of Corporate Governance 2012, Pakistan ---- 10 April 2012 (New)
- Code of Corporate Governance, Singapore ---- 2 May 2012 (Revised)
- German Corporate Governance Code ---- 15 May 2012 (Amended)
- Jordanian Corporate Governance Code ---- 2012 (New)
- The UK Corporate Governance Code ---- 28 September 2012 (Revised)
- The UK Stewardship Code ---- 28 September 2012 (Revised)

The details of enumerated codes are available at:

http://www.ecgi.org/codes/all_codes.php

2. UK Corporate Governance Code & UK Stewardship Code, 2012

UK Corporate Governance Code (formerly the Combined Code) sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. Listed companies are required to report on how they have applied the main principles of the Code, and either to confirm that they have complied with the Code's provisions or - where they have not - to provide an explanation.

The new edition of the Code was published in September 2012 and applies to reporting periods beginning on or after October 1, 2012. The new code inter-alia has provision for the disclosure of the board's policy on gender diversity in the Annual Report and Reporting by the audit committee to the board on how it has discharged its responsibilities.

Further, an updated version of UK Stewardship Code was also issued in September, 2012. The UK Stewardship Code aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. The Code set out good practice on engagement with investee companies to which the FRC believes institutional investors should aspire and operates on a 'comply or explain' basis. The Financial Services Authority (FSA) requires UK authorised asset managers to report on whether or not they apply the Code.

The details can be had at:

<http://www.frc.org.uk/>

GREEN CORNER

Do Rainwater harvesting



Rainwater harvesting essentially means collecting rainwater on the roofs of building and storing it underground for later use. In urban areas, the construction of houses, footpaths and roads has left little exposed earth for water to soak in. Realizing the importance of recharging groundwater, the Central Ground Water Board is taking steps to encourage it through rainwater harvesting in the capital and elsewhere. A number of government buildings have been asked to go in for water harvesting in Delhi and other cities of India.

All you need for a water harvesting system is rain, and a place to collect it! Typically, rain is collected on rooftops and other surfaces, and the water is carried down to where it can be used immediately or stored. You can direct water run-off from this surface to plants, trees or lawns or even to the aquifer. Some of the benefits of rainwater harvesting are as follows: -

- Increases water availability.
- Helps in improving the declining water level.
- Environmentally friendly.

Good Things Around

Green Words: Let's Speak Environment Language:



The language is very important in any culture. As culture & tradition changes with time, it affects language particularly 'spoken language'. Different words related with day to day life get added in 'spoken language'. These words are later on also used in written language. Information & Communication Technology (ICT) changed the way we live & communicate. It resulted in adopting different words in spoken language like 'Online', 'Chat', 'Buzz', 'Tweet' etc. Now a day's Environment sector is in focus. To promote the Environment language, Environmental Information System (ENVIS) has developed a 'Green Word Dictionary' section on its website which will familiarize the community to the environmental words. One can also donate some words to this 'Green Word Dictionary' by writing at mah@envis.nic.in.

For details visit: http://envis.maharashtra.gov.in/envis_data/?q=GreenWords_11#b_word

Remember

9 December- International Anti-Corruption Day

10 December- Human Rights Day

Moments of Thought



"You cannot legislate good behaviour"



- Mervyn Kin S.C (Chairman: King Report)

FORTHCOMING EVENTS

Institute of Public Enterprise, Hyderabad, Accounting Research Institute (ARI),
Universiti Teknologi MARA (UiTM), Malaysia and Institute of Business
Research, University of Waikato, New Zealand

Jointly organizing

4th International Conference on Corporate Governance

Theme: Emerging Economies
at Hyderabad

Dates: December 10-11, 2012

(For more details visit: <http://sites.ipeindia.org/iccg4/home-1>)

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



Vision is the art of
seeing what is
invisible to others ●●

Jonathan Swift

Dear Professional Colleagues,

The growth of a profession has to be in pace with the growth of the nation. India being one of the fastest growing economies of the world would require smart professionals equipped with latest technical and professional knowledge and skills to cater to the new and emerging issues of public interests such as environmental and sustainability issues, in addition to business strategies, compliance management and governance.

The impact of growing economy on CS profession will indeed be quite intensive as the role profile of the Company Secretaries is expanding with each passing day. It would require constant environmental scanning, and filling the gaps between current demand and future expectations, through capacity building in technical and soft skills, in addition to

attitudinal shift towards positive dimensions of change.

So, we have to prepare for the future and it would require insights, foresight and actioning. As the term 'Insight' refers to impact analysis of prevailing situation; Foresight is moving this analysis across time and predicting the future contingencies and taking necessary action.

The actioning in this context require observance of prevailing scenario, mapping the scenario with current capacities and preparing accordingly as the scenario demands. It involves technical updates, professional networking, sensitivity to emerging technology and social issues and its impact on the profession. It is thus imperative for professionals like us to visualise the invisible and be on the learning curve to unlearn and relearn, to be future ready professionals.

ICSI Convocation

You are aware that the Council of the Institute had decided to organise ICSI Convocation, 2012 at all four Regions in the month of November, 2012. Accordingly, the first ever ICSI Convocation was held at four Regions on November 9, 2012 at Kolkata; November 19, 2012 at ICSI-CCGRT, Navi Mumbai; November 24, 2012 at New Delhi; and November 30, 2012 ICSI-SIRC House, Chennai.

Prof. Samir Kumar Bandyopadhyay, Vice Chancellor, West Bengal University of Technology; Dr. A K Sengupta, Director and Chair Professor of Finance Area, SIES College of Management Studies, Nerul; Dr. Ashok K. Chauhan, Founder President of the Ritnand Balved Education Foundation (Amity Education Group); and Prof. S Sudalaimuthu, Vice Chancellor, Alagappa University were the Chief Guests at respective locations, delivered Convocation address and presented the certificate of membership to the new members and certificate of Awards to the meritorious students.

I availed the opportunity to attend the Convocation Ceremony and I found it to be a moment of pride and privilege as the new members were taking their certificate of membership. It was indeed a glorious moment for me to be a part of the ICSI Convocation.



ICSI NATIONAL AWARD FOR EXCELLENCE IN CORPORATE GOVERNANCE, 2012

I am pleased to inform you that, the Jury Meeting for the 12th ICSI National Award for Excellence in Corporate Governance was held under the Chairmanship of Hon'ble Mr. Justice M N Venkatachaliah, Former Chief Justice of India to adjudge the award winning companies and the recipient of the ICSI Lifetime Achievement Award for Translating Excellence in Corporate Governance into Reality, for the year 2012. Necessary arrangements are being made for the Presentation Ceremony to be preceded by a Panel Discussion by the experts in the area of Corporate Governance, and will be communicated to you shortly. I invite all of you to grace the Presentation Ceremony and Panel Discussion to make it a grand success.

Memorandum of Understanding

I informed in my earlier communications, that nothing can move and grow in isolation in this highly competitive and inter-connected world. The cooperation and co-existence is mantra for success in today's knowledge based, borderless marketplace. In line with this thinking, you are aware that the Institute has been collaborating with Universities, Stock Exchanges, Management Institutes and other institutions of national and international repute by entering into MOUs. I am pleased to inform you that the Institute has initiated the discussions with Bengal National Chamber of Commerce and Industry; Amity University and Institute of Directors (India) for cooperation in the areas of mutual interest.

Visit to Regional Councils and Chapters

Capacity building of the members and students has always been on the priority of the Institute and the Institute, Regional Councils and Chapters are organising professional development programmes. During the month, I attended a Two Day Regional Conference organised by NIRC jointly with Jaipur Chapter on the theme 'Transforming the Profession through Strategic Performance' on November

3-4, 2012 at Jaipur and another Seminar organised by the Pune Chapter of the Institute on the theme "Peer Review & ICSI Guidelines" on 2nd November, 2012 at Pune.

During my visit to Kolkata in connection with ICSI-Convocation, I availed the opportunity to participate in the 23rd Regional Conference of Company Secretaries organised by EIRC of the Institute on November 9-10, 2012 at the Spring Club, Kolkata. Mr. Madan Mitra, Hon'ble Minister of Transport, Government of West Bengal was the Chief Guest at the Conference.

I also participated in a Two Day National Seminar organised by Shaheed Bhagat Singh College, University of Delhi, on the theme "Foreign Direct Investment in India : Response and Challenge" as Guest of Honour. Smt. Shiela Dikshit, Hon'ble Chief Minister of Government of NCT Delhi was the Chief Guest at the Seminar.

CS Benevolent Fund

As I appealed to you in my earlier communications, I once again reemphasize the fact that CS benevolent fund is a collective effort towards extending much needed financial support for our members in times of distress. I wish to compliment the SIRC of the ICSI for organising Cultural Evening for raising funds for this purpose. I urge the Regional Councils and Chapters to organise such Cultural Evenings for noble cause of Benevolence. I also appeal the members to become the life member of CS Benevolent Fund and be the part of the collective efforts.

With kind regards,

Yours sincerely,

New Delhi
December 1, 2012

(CS NESAR AHMAD)
president@icsi.edu



ICSI - The Triumph of Leadership



N. K. Jain*, FCS

Secretary & CEO
The ICSI, New Delhi.

nkjain1953@gmail.com

» "Just as the modern government cannot be run without the secretariat, similarly, no modern company management can be carried on without a Company Secretary; that is our conviction and that there is a justification for striving to evolve for an All India Institution of Company Secretaries on sound lines".

- Late D. L. Mazumdar

* Views expressed are personal views of the author and do not reflect the views of the Institute.

PRELUDE

Change is constant, cascading, challenging but essential. When one change leads to another that has a cascading effect on it; when the factors are interlinked, the effect of the same is faster and more visible. The intensity of change has become deeper in the last decade as the world has become one flat platform due to integration of geographies with liberalized policies, communication and information technology that have intertwined factors that any material change in one corner of the world has an impact on all other parts.

When we refer to the transformation of our country since the last decade, it is witnessed by increased number of industries, better employment opportunities, better literacy rates, role of technology, migration of rural population and rapid urbanization, inclusiveness, regulatory reforms, increased FDI inflows, vibrant capital markets etc.

As regards businesses, it is witnessed by cross border mergers, increased awareness about good governance and transparency through business disclosures, sensitivity to society and environment, sustainability initiatives etc.

Talking about the transformation of the Institute of Company Secretaries of India, it has witnessed multifold increase in students, revenue, effective brand building initiatives, globalization of the profession, more recognitions, better infrastructure and on-line provision of services to better serve its stakeholders.

CS PROFESSION - THE EVOLUTION

The profession of Company Secretaries/Chartered Secretaries was established in England in October, 1891 as 'The Institute of Secretaries'. In 1902 it was granted its Royal Charter and became the Chartered Institute of Secretaries. The name has since been changed to The Institute of Chartered Secretaries and Administrators (ICSA). The first branch to be established outside the United Kingdom was formed in South Africa in 1909. Today, ICSA, UK has its divisions in South Africa, Australia, Canada, New Zealand, Hong Kong, Malaysia, Singapore and Zimbabwe. The UK Act of 1948 provided for an appointment of a Secretary in every company. The UK Companies Act, 2006 provides that a public company must have a 'Secretary' and that a private company is not required to have a 'Secretary'.

SMALL STEPS TRAVERSED LONG DISTANCES

1950-1960

The need for sowing the seed of the profession of Company Secretaries in India was first felt in early 50's, when the business environment had started changing that had necessitated the services of a professional to bring Corporate Discipline.



The concept of Secretary was mooted during the discussions on the Companies Bill introduced in the Parliament in the year 1953 under the dynamic leadership of Pt. Jawahar Lal Nehru, the first Prime Minister of Independent India and the word "secretary" took a place in the definition clause of the Companies Act, 1956.

With this recognition of the status of Secretary, the late D L Mazumdar (ICS), the first Secretary of the Department of Company Law Administration, convened an All India Conference on 22-23 October, 1956 which included representatives of the Institute of Secretaries, Bombay; Indian Associations of the Corporation of Secretaries and Chartered Institute of Secretaries, London; Chambers of Commerce; FICCI; Institute of Chartered Accountants of India and individual secretaries of well-known public limited companies. Late D L Mazumdar declared at the conference that "just as the modern government cannot be run without the secretariat, similarly, no modern company management can be carried on without a Company Secretary; that is our conviction and that there is a justification for striving to evolve for an All India Institution of Company Secretaries on sound lines". Subsequently, an Institute of Company Secretaries was registered as a company on November 5, 1956 at Calcutta (Kolkata) and was inaugurated on January 20, 1957 by the late Dr. B.C. Roy, the then Chief Minister of West Bengal. This, however, could not come upto the expectations of Government and consequently it had to close down later in 1959.

ICSI AS SECTION 25 COMPANY

1960-1970

On April 14, 1960, the Government of India passed a Cabinet resolution assuming direct responsibility to develop a trained cadre of Company Secretaries. The government accordingly set up an Advisory Board to standardize the basic qualifications and training and to hold qualifying examinations known as Government Diploma in Company Secretaryship (GDSCS).

Later, due to substantial increase in the number of candidates, the matter was examined by the Advisory Board, which recommended the setting up of a company, incorporated under Section 25 of the Companies Act, 1956 to take over the entire work connected with the Company Secretaries including the conducting of examinations and coaching. The Advisory Board also felt that the Government might bring in necessary legislation for creating an autonomous body to look after this work on the pattern of the Chartered Accountants Act and Cost & Works Accountants Act.

The Institute of Company Secretaries of India was set up and registered as a company on 4th October, 1968 under Section 25 of the Companies Act, 1956 with its registered office at New Delhi. The work relating to Company Secretaries' Examination and all allied matters were taken over by this Institute from the Company Law Board with effect from January 1, 1969.

The late R Prasad, the then Chairman, Company Law Board took over as the first President of the Institute (1969-70). Mr. R Krishnan was the first elected President (1970-73). The late P B Saharia was the first Secretary of the Institute (1968-70). Mr. T P Subbaraman who was actively involved in the formation of the Institute right from its inception was the Secretary of the Institute for the period 1972-1993.

1969-80

The proactive initiatives of the Institute to advocate the emerging concepts among

its members were imbibed right from the beginning. This is witnessed by the professional development programmes (PDP) by the Institute and the Regional Councils on contemporary topics such as MRTP, FERA, Managerial remuneration etc.

MAIDEN REMINISCENCES

Reading the remembrances of initial stages of the Institute sinks pleasant in the minds. Maiden events are always nostalgic. The institute also took tiny maiden steps in the form of opening of first library, first conference, first chapter, first convention etc. that enabled it to achieve the present position of one of the young, energetic and fastest growing profession in India. Some of the maiden initiatives taken by the Institute are as under:

► THE FIRST EXAMINATION

The first examination leading to the Associate Membership of the Institute was conducted in April, 1969.

► THE FIRST CONFERENCE

The Institute held its first Conference on "Role of Company Secretaries" at Madras on May 21-22, 1971. Late R Prasad, the then CLB Chairman inaugurated the conference.

► THE FIRST ISSUE OF CHARTERED SECRETARY

The first issue of Chartered Secretary was published in July 1971 as quarterly journal as a communication platform between the Institute and its stakeholders. This issue covered proceedings of the first conference of the Institute, articles of professional interest such as Company Secretarial Audit, need for professionalization of Company Secretaries, Wider Responsibilities of Company Secretaries, Institute's news & notifications, Book reviews etc.

► THE FIRST ANNUAL GENERAL MEETING

THE First Annual General Meeting of the Institute as a Company was held on March 31, 1970.

► THE FIRST LIBRARY

The library of the institute was opened on July 31, 1971 by Shri Bedabrata Barua, the then Hon'ble Dy Minister of Company Affairs.

► FIRST ELECTION

First election of the Council was held in September 1970.



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► THE REGIONAL COUNCILS

The Central Council nominated the office bearers of four Regional Councils in 1971.

► THE FIRST PUBLICATION

Justice Shri J L Nain, the then Chairman, MRTP Commission released the first book published by the Institute on 'Company Secretary & the MRTP Act' at a workshop organized by NIRC on February 2, 1974 at New Delhi at the price of Rs.12.

► THE FIRST REGIONAL CONFERENCE

The first Regional Conference was organized by SIRC on the theme 'Role of Company Secretary under the FERA 1973' on April 20, 1974 at Chennai.

► THE FIRST PRESIDENT'S PAGE

The first President's page started in the month of October 1975 by the then President Mr P A S Rao.

ICSI-AS A STATUTORY BODY

The Institute achieved one of its major milestones when the Company Secretaries Bill was passed and it became The Company Secretaries Act, 1980 with effect from 10th December 1980 and the Institute of Company Secretaries of India became a statutory body with effect from January 1, 1981.

LANDMARKS OF THE INSTITUTE (1971-1993)

Mr. T P Subbaraman in his article titled "A Tryst with Destiny" published in Chartered Secretary in October, 1993 summed-up the landmarks of the Institute till 1993 as follows - "The Incorporation as an independent professional body in 1968; the judicial recognition by the House of Lords in the UK in 1971 that the Secretary has ostensible authority on the administrative functions of a company; the prescription of qualifications and provisions for appointment of whole time secretaries in the Companies (Amendment) Act, 1974, the amendments to articles for abolition of proxies and election of Council by postal ballots / polling booths once in three years on proportional representation basis and election of President and Vice-President by the Council every year in 1977; introduction of Code of Conduct and issue of certificate of practice from 1979; obtaining plot and commencement of construction of HQ Building by the President of India in 1979; inauguration of ICSI House by the

Vice-President of India in 1981; the constitution of the Institute as a statutory body from 1981; introduction of a thoroughly revised new syllabus and new practical training requirements in 1985; amendments to the Companies Act defining the concept of Company Secretary in Practice and providing a few areas of practice including a small but exclusive area for practicing Company Secretaries in 1988; the recognition of the profession of Company Secretaries in capital markets areas during the last few years and lastly and the best recognition given to the profession in the Companies Bill, 1993 requiring Secretarial Compliance / Audit Report for all 383A companies are no doubt important landmarks in the developments and growth of the Institute".

LANDMARKS OF THE INSTITUTE (1994-2002)

During the period the Institute aggressively pursued its objectives in the wake of open market policy and globalization efforts of the Government. The Institute continued to march on the growth path and achieved significant progress during the period 1994-2002, namely; Government's approval to PMQ Course in Capital Markets and Financial Services; MOU with ICSA, London; Guidelines for constitution of Satellite Chapters and constitution of 19 Satellite Chapters; MOU with National Law School of India University, Bangalore; MOU with ICSA-UK and ICSI for mutual exemption in certain papers; First National Conference of Student of Company Secretaries; Authority to Company Secretaries in Practice to appear before the SAT; NSDL and CSDL allowed Company Secretaries in Practice to conduct Internal Audit of operations of participants; Inauguration of the ICSI - Centre for Corporate Research and Training; completion of construction of ICSI's new building at NOIDA; Insertion of proviso to Sub-Section (1) of Section 383A of the Companies Act, 1956 opening up core area of practice for company secretaries; constitution of Secretarial Standards Board; Implementation of New Syllabus; Institution of the ICSI National Award for Excellence in Corporate Governance; Issuance of Secretarial Standards on "Meetings of the Board of Directors" (SS-1) and "General Meetings" (SS-2).

ICSI VISION PLAN 2003-2010

In the year 2003, it was felt by the Council led by the then President Mr. Pavan Kumar Vijay that the Institute should have a formal Vision Document including its Vision and Mission statements. After extensive debates and discussions, the Council of the Institute adopted "ICSI Vision Plan 2010" and defined its Vision and Mission statements to clearly chart-out a roadmap of the Institute for the period upto 2010.

I joined the Institute on 1st July 2003 and became proud member of Team ICSI. It was my privilege that I was actively involved in the finalization of the Vision Document and subsequently its implementation. An eleven point agenda for action was finalized as under:

1. Enhancing Cooperation between Members, Students and Staff Members;
2. Repositioning Company Secretaries
3. Strengthening Professional Ethics
4. Good Governance in Institute's Affairs
5. Organizational Reengineering
6. Quality Management System - ISO, TQM, Six Sigma, etc.
7. Knowledge Management
8. Qualitative Professional Development and Continuing Education
9. Human Resource Development
10. Infrastructure Development - Focus on IT or Virtual Institute
11. International Networking



RESOURCE MANAGEMENT

The resources at the command of the Institute in the year 2003/2004 were modest to translate its vision into reality and to effectively implement ICSI Vision Plan 2010. It needed much more resources to increase its brand building, its interface with the industry, government, regulatory bodies, intermediaries in the financial markets etc., creating more visibility to reach out to its stakeholders in the far and away locations (two or three tier cities), improving its infrastructure at its various offices, investing in technology to improve its services to its stakeholders, investing on human resources etc. As a prudent resource management strategy, the Institute resorted to various cost reduction measures and even sought financial assistance on some occasions in the form of overdraft from its Bankers to pay salary and allowances to its employees and to meet other financial commitments. However, this did not deter the Institute from the path of growth and development rather, intensified ICSI resolve and commitment to successfully implement ICSI Vision Plan 2010 and move forward.

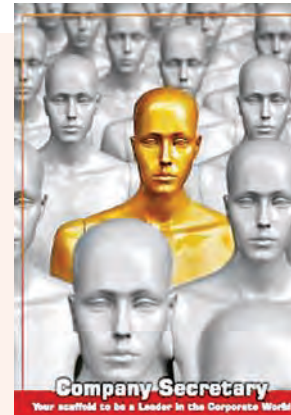
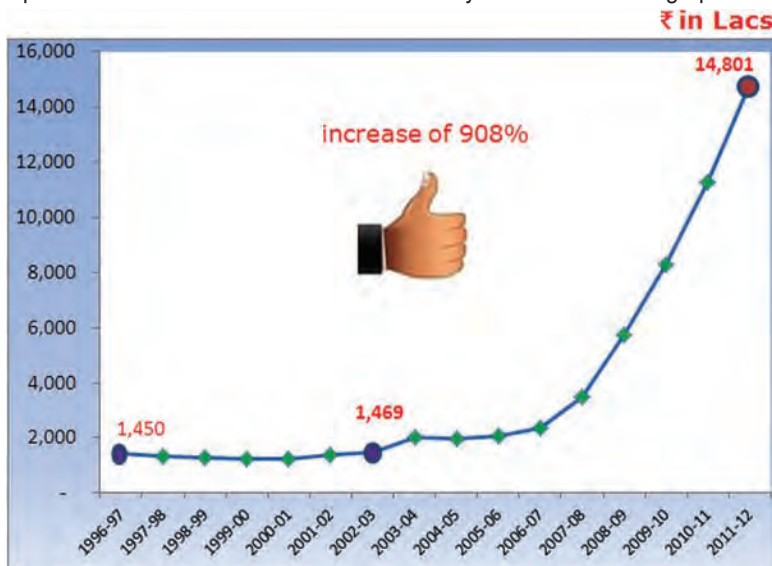
A SNAPSHOT OF THE PERFORMANCE OF THE INSTITUTE DURING 2003-2012

In line with the developments in economic, regulatory and global scenario and keeping in view the above resource constraints, a detailed strategy was formulated and implemented effectively and efficiently. ICSI also took various initiatives for strengthening its financial position and towards growth and development of the profession, members, students, brand building, research and development, governance, human resource development etc.. A snapshot of the performance of the Institute on various important parameters for the period five years 1998-99 to 2002-03 and approximately nine and a half years 2003-04 to 2011-12 is summarized below:

FINANCIAL RESULTS

REVENUE

The Revenue for the Financial Year 2011-12 recorded an increase of 908% as compared to the Financial Year 2002-03 as may be seen from the graph below:



BRAND BUILDING AND VISIBILITY OF THE PROFESSION

The Institute adopted innovative strategies for brand building and enhancement of its visibility beyond metro cities and even reached out to schools and colleges, parents, teachers and community at large in two and three tier cities/towns. The new initiatives during this period included Corporate Identity Manual, Corporate Advertisements highlighting the services rendered by Company Secretaries, Career Counselling Kits; Corporate Films; Films on CS Course; Film on ICSI-CCGRT; Appointment of Counsellors; Educational foldable canopies; Career Awareness Week across the country, Production and telecast of CS Spots on leading Television /Radio Channels, ICSI advertisement in Delhi Metro Trains, Publication of 36 page booklet on CS Course and Profession "Career as a Company Secretary" which was widely distributed to students in various schools and colleges across the country etc.. It provided extensive coverage on the CS Course and Profession in print and the electronic media, CS spots on TV and Radio, English and Regional Newspapers, in-flight magazines, business and professional journals etc. It also brought out focused advertisements to highlight the importance of good Corporate Governance, Corporate Social Responsibility and Sustainability.



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TRADE MARK

The word 'Chartered Secretary' has been registered under the Trade Marks Act, 1999 on 24th December 2007.

ICSI LOGO



The Institute adopted new logo which is indicative of the locale that is stationary, stable and solid and yet which is going, on the move, flying and scaling high. In order to be in line with the modern times that require one to be simple, clear, eye-appealing and articulate, the new logo adopted by the Council of the Institute represents contemporary professional outlook and proactive approach in delivery of services.

This change is a reflection of our inner growth and empowerment as the new identity of the Institute stands for stability and integrity. The core of the new identity "connecting for collective growth" is epitomized by four alphabets signifying a mature and multifaceted profession. The words CS in the centre of the identity integrate to form an upward arrow embodying the Institute's vision of growth and excellence in corporate governance. Set in a deep blue colour, the bold and elegant masthead lends it an air of authority and leadership. The letters 'CS' being used by the members shares a direct and umbilical relationship with the new identity of the Institute, and represents stability and integrity, which are hallmarks of our profession.



GENERAL RESERVES

The General Reserves for the Financial Year 2011-12 recorded an increase of 649% as compared to the Financial year 2002-03 as may be seen from the graph below:



SURPLUS

The surplus for the Financial Year 2011-12 recorded an increase of 3779% as compared to the Financial Year 2002-03 as may be seen from the graph below:



MEMBERS ADMITTED

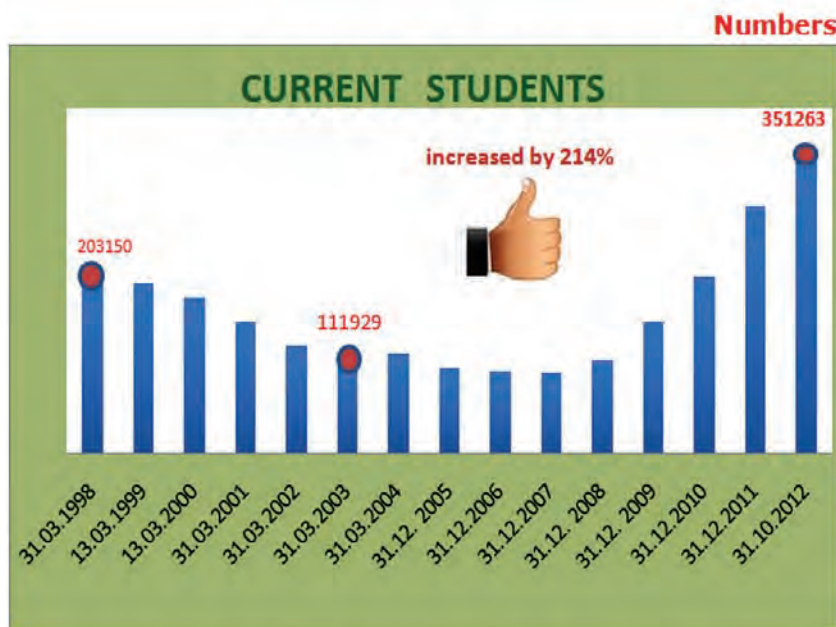
The number of members admitted till 31st October, 2012 recorded over 96% growth when compared to members admitted upto 31st March, 2003 as may be seen from the graph:





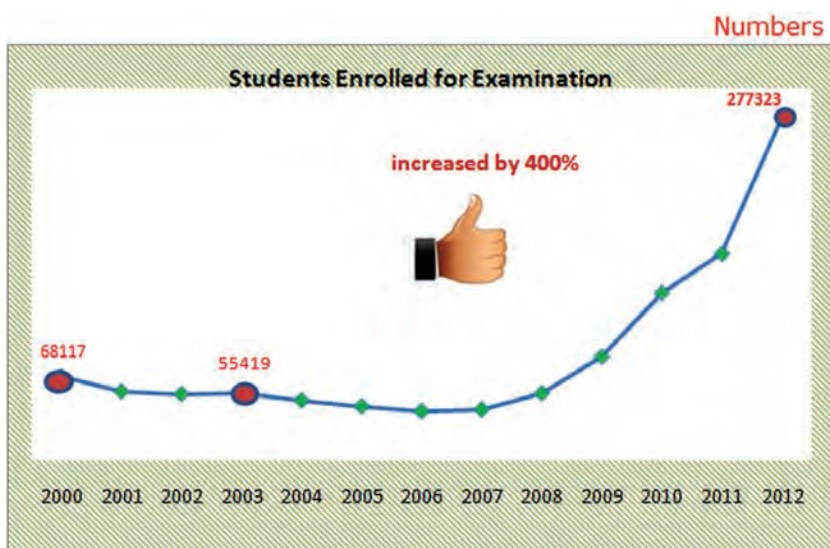
STUDENTS REGISTRATION

The number of current students as on 31st October, 2012 have increased by 214% as compared to the number of current students as on 31st March 2003 as may be seen from the graph below:



STUDENTS ENROLLED FOR EXAMINATION

The number of students enrolled for examination held in 2012 have increased by 400% as compared to the number of students enrolled for examination held in 2003 as may be seen from the graph below:



NEW STYLE CHARTERED SECRETARY

The Institute's monthly Journal 'Chartered Secretary' continues to receive accolades from various quarters, be it industry, commerce, trade or professionals for its informative articles on contemporary topics, prompt reporting of government notifications, judicial pronouncements etc.

From January, 2012, it assumed a new shape with multi colour printing, innovative ideas, international look and design retaining the magic of its quality and authenticity of information, application oriented articles and all standard columns. The journal continues to serve as an effective medium of communication between the institute and its members and other stakeholders.



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ICSI CORPORATE GOVERNANCE WEEK

The Institute started observing "ICSI Corporate Governance Week", in the year 2011 as an annual event. During the week a number of events on emerging topics in the areas of corporate governance, sustainability and sustainability reporting, integrated reporting, responsible investment, gender diversity, waste management, whistle blowing, risk management and good corporate citizenship are organized throughout the length and breadth of the country through Regional Councils and Chapters of the Institute. The CG week was also celebrated in the year 2012 on August 27-31, 2012. Experts were invited to interact with the members and students and other delegates and the suggestions received during the week long programmes were compiled, evaluated and acted upon.

» A research has shown that governance practices relating to lead/senior independent director, separate meetings of independent directors, separate position of Chairman and CEO, gender diversity - women directors on boards, constitution of nomination committee, formal framework for evaluation of board and individual directors, formal framework for training /development of directors and sustainability reporting still remain major challenge areas.

SUMMARY

S. No.	Particulars	Unit	FY 2002-03	FY 2011-12	% Increase
1.	Revenue	Rs. Lakhs	1469	14801	908
2.	General Reserves	Rs. Lakhs	2586	19,382	649
3.	Surplus	Rs. Lakhs	185	7176	3779
4.	Members admitted	Nos. upto	15,894	31,171	96
5.	Current Students	Nos.	1,11,929	3,51,263	214
6.	Students enrolled for examination	Nos.	55,419	2,77,323	400

COLLABORATIONS

During last nine years ICSI collaborated with a large number of institutions including Ministry of Corporate Affairs, Securities and Exchange Board of India, National Stock Exchange of India Ltd., Bombay Stock Exchange Ltd., MCX-Stock Exchange Limited, United Stock Exchange of India Ltd., the Bangalore Stock Exchange Limited, the Central Board of Excise and Custom, Investor Education and Protection Fund, Indian Institute of Corporate Affairs, the Institute of Public Enterprises, Indian Institute of Banking and Finance, ICRA Limited, NISIET, Training Institutes, Apex Industry Associations i.e. ASSOCHAM, CII, and other Chambers of Commerce, State Industry Associations, Universities and Academic Institutions including Indira Gandhi National Open University and Symbiosis Centre for Management Studies, Symbiosis International University etc. to expand the scope and activities of the Institute and to leverage the strength of the partner institutions, for capacity building of members.



GLOBALIZATION OF THE PROFESSION

ICSI promoted International Federation of Company Secretaries (IFCS) in 2004 and then played key role in formation of Corporate Secretaries International Association (CSIA) in March 2010 at Paris with its registered office at Geneva which has presently 18 members. ICSI has established extremely cordial bilateral relationship with CS institutes at UK, Hong Kong, Malaysia, Singapore, Australia, South Africa, Kenya, Nigeria, Pakistan, Bangladesh, Sri Lanka, Nepal. ICSI is engaged in regular dialogue with them for enhancing its collaborations for entering into MOUs for mutual exemptions in the examination papers, joint





research, exchange programmes etc. ICSI actively participated in the various international programmes organized by member institutes of CSIA and other institutes and established its leadership position in the profession of Company Secretaries globally.

ICSI has actively collaborated with global institutions like Global Corporate Governance Forum (GCGF), an arm of International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD), INSOL International, Global Reporting Initiative (GRI), Transparency International India, Institute of Directors (London), Singapore Institute of Directors, Institute of Directors (South Africa), Asian Corporate Governance Association (ACGA) (Hong Kong), Chartered Institute of Securities and Investments (CISI), London, CASS Business School, London etc. and actively participated and jointly organized programmes with such institutions which has provided international recognition to ICSI.

ICSI has organized seven International Professional Development Fellowship Programmes in Singapore, Kenya, Hong Kong, Switzerland, UK, Australia and South Africa which were well attended and provided the members International exposure for professional services and opportunities of networking with their counterparts. As co-partner with Global Corporate Governance Forum, ICSI organized Corporate Governance Board Leadership Programme at Mumbai and New Delhi in 2008, participated in Asian Roundtable on Corporate Governance organized by OECD in Hong Kong in 2008, in Bali in 2011 and in Tokyo in 2012, Co-hosted "OECD Asian Roundtable on Corporate Governance - Fighting Abusive Related Party Transactions in Asia Workshop on Implementation" in partnership with Government of Japan and participation of MCA and SEBI on 25-26 October, 2010 at New Delhi.

RESEARCH AND PUBLICATIONS

ICSI brought-out extremely credible and authentic research publications on various topical subjects in last ten years which were found extremely useful by all stakeholders. During this period (2003-2012) ICSI published 9 Secretarial Standards including SS-11 under process, 11 Guidance Notes, 19 books on Corporate Governance and CSR, 2 books on Company Law, 11 books on Capital Markets, 9 books on Corporate and Economic Laws, 4 Research Studies, 9 Referencers, several backgrounders/souvenirs, 13 CDs, a memoir 'small steps traverse long distances' and a book on Integrity. The major publications brought out during the period are as under:

- ▷ Handbook on Arbitration & Alternative Dispute Resolution
- ▷ Doing Business in Thailand
- ▷ Handbook on Internal Audit of Operations of Depository Participants
- ▷ Handbook on Mergers, Amalgamations & Takeovers - Law & Practice
- ▷ Securities Management and Compliances
- ▷ Practitioner's Guide to Consumer Protection Law
- ▷ Prohibition of Insider Trading - Law & Procedure
- ▷ A Guide to Company Secretary in Practice
- ▷ Corporate Governance - Beyond Letters
- ▷ Referencer on Filling & Filing of e-Forms 23AC & 23ACA
- ▷ Establishment of Branch/Liaison/Project Offices in India
- ▷ Referencer on Secretarial Audit
- ▷ Delisting of Equity Shares
- ▷ CG Insights
- ▷ Handbook on Internal & Concurrent Audit of Depository Participants

- ▷ Referencer on E-forms
- ▷ Referencer on Transfer Pricing
- ▷ Capital, Money & Commodity Market
- ▷ Basics of Mutual Fund
- ▷ Peer Review Manual
- ▷ Gender Diversity in Boardrooms
- ▷ Sustainability Report for Sustainable Future
- ▷ Responsibly Managing e-waste
- ▷ Referencer on Certification of Securities Transfer
- ▷ Referencer on Reconciliation of Securities Transfer
- ▷ Referencer on SEBI (Issue of Capital & Disclosure Requirements) 2009
- ▷ Referencer on XBRL (As per Revised Schedule VI)
- ▷ DNA of Integrity

CDs

- Chartered Secretary on CD ROM 10th Edition
- Doing Business in Singapore
- Secretarial Standards



RESEARCH STUDIES

CORPORATE PRACTICES IN INDIA

- ▷ Independent Directors
- ▷ Board Committees
- ▷ Beyond Clause 49
- ▷ Corporate Social Responsibility

COMPLIANCE OF COMPETITION LAW

The Institute completed a research project on Compliance of Competition Law by Enterprises and also organised competition advocacy programmes as part of capacity building of members in the area of competition law. Based on the results of the research completed by the Institute, the Competition Commission of India has prepared Competition Compliance Programme for Enterprises, as suggestive framework for compliance of Competition Act, 2002. This compliance programme has been prepared to provide broad guidance to enterprises in creating



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and implementing an internal competition compliance programme. Competition law being an important area of practice, members are being encouraged to develop capacities and skills to reap the benefits.

NSE COMPLIANCE MANUAL

The Institute successfully completed a research project awarded by National Stock Exchange of India Limited to prepare a Compliance Manual for its Trading/Clearing Members covering all aspects of compliance arising out of SEBI Act, Rules, Regulations and Guidelines made thereunder; Securities Contracts (Regulation) Act, 1956; Securities Contracts (Regulation) Rules, 1957; NSE Rules, etc. and NSCCL Rules, etc.

ICSI NATIONAL AWARD FOR EXCELLENCE IN CORPORATE GOVERNANCE

One of the first professional bodies to have initiated discussion on Corporate Governance in the light of Cadbury Committee Report in the year 1997, the ICSI instituted ICSI National Award for Excellence in Corporate Governance in the year 2001 for promoting good governance in Corporate India.



The ICSI has so far conducted 11 "ICSI National Award for Excellence in Corporate Governance" and the 12th Award Function is scheduled to be held during December, 2012 at Kolkata. Over a decade of its institution the Award has gained tremendous prestige and acclaim value in the corporate world and

received laurels from Jury, and international organisations involved in promoting good Corporate Governance. In the last few years, the representatives of GCGF, OECD, IOD (London), ACGA and CSIA who had been on the Jury as its members have over whelmingly endorsed the evaluation methodology as one of the best. Our efforts are showing positive results in adoption of good governance practices and standards of reporting by the companies which is evident from

the evaluation process. A research study of the shortlisted companies which were evaluated in last three years has shown that the governance practices relating to remuneration policy, rotation of auditors, secretarial audit, CSR policy and whistle blower policy in such companies have improved. However, governance practices relating to lead/senior independent director, separate meetings of independent directors, separate position of Chairman and CEO, gender diversity - women directors on boards, constitution of nomination committee, formal framework for evaluation of board and individual directors, formal framework for training /development of directors and sustainability reporting still remain major challenge areas. A new initiative of ICSI to provide critical feedback to the participating companies about the areas in which a company needs to improve / strengthen its governance practices, has helped the companies to improve their governance standards and has been well appreciated by the corporate world.

DIRECTORS DEVELOPMENT AND CAPACITY BUILDING PROGRAMMES

Recognizing that leadership development in boardroom is the key driver to better governance, the Institute organizes directors' development programmes. During the last few years, the Institute has organized programmes for directors of PSUs including GAIL (India) Limited, Fertilizer Corporation of India, India Infrastructure Finance Company Limited, State PSUs and banks such as Indian Bank, Punjab National Bank, ING Vysya Bank Limited, etc. and for other corporate directors.

NATIONAL POLICY ON CORPORATE GOVERNANCE

The Ministry of Corporate Affairs vide Office Memorandum dated March 7, 2012 had constituted a Committee to formulate a Policy Document on Corporate Governance under the chairmanship of Mr. Adi Godrej. The President ICSI was the Member Secretary/ Convener. The concept paper prepared by ICSI was the base paper for discussion before this committee. The Committee submitted its report to the Government of India on 18th September, 2012.

ICSI RECOMMENDATIONS TO STRENGTHEN CORPORATE GOVERNANCE FRAMEWORK

A Core Group of the Institute undertook a detailed study of the prevailing corporate governance practices including recommendations of various committees and corporate governance codes, the best practices adopted by the industry and after benchmarking the best practices made the ICSI recommendations to strengthen the CG Framework. ICSI submitted these recommendations to MCA and SEBI.

The Ministry of Corporate Affairs while finalising the Corporate Governance Voluntary Guidelines 2009 relied upon these recommendations.

INVESTOR EDUCATION AND AWARENESS

As part of its Corporate Governance initiative the Institute is actively engaged in organization of Investor Awareness Programmes through its Regional Councils, Chapters and Resource Persons. These programmes are organized under the aegis of Investor Education and Protection Fund, Ministry of Corporate Affairs and also jointly with National Stock Exchange, Bombay Stock Exchange and Chambers of Commerce and Trade Associations. The Institute has started



organizing Investor Awareness Programmes from the year 2005 and has organized more than 1600 Investor Awareness Programmes.

The Institute has brought out two booklets "First steps for Investing: A beginner's Guide" and "Primer for first time and existing Investors" which provides lucid information on various investment instruments and the right and responsibilities associated with each one of them.

ICSI CAPITAL MARKETS WEEK



The Institute has also started celebrating Capital Markets Week and the first Capital Markets Week was celebrated on April 23-28, 2012 on the theme 'Capital Market – Growth Drivers' by organizing programmes on emerging topics in the area of capital market throughout the length and breadth of the country through Regional Councils and Chapters. Experts were invited to interact

with the members and students and the suggestions received during the week long programmes were compiled, evaluated and acted upon.

SECRETARIAL AUDIT

Corporate Governance Voluntary Guidelines, 2009 formulated by the Ministry of Corporate Affairs recognized the Secretarial Audit as a strong tool for implementation of Good Corporate Practices. The guidelines require the Board of Companies to give its comments on the Secretarial Audit in its report to shareholders. It was indeed an extremely important development for our profession, as it was a move in right direction towards our long standing demand for introduction of Secretarial Audit for companies.

In one of the landmark achievements, the ICSI in its presentation before the Parliamentary Standing Committee on Finance made a strong case for introduction of 'Secretarial Audit' which was found merited. The Parliamentary Standing Committee on finance in its report dated 26th August 2010 recommended introduction of 'Secretarial Audit' which was accepted by the Government of India. It is a matter of great achievement that the Companies Bill, 2011 contains a specific provision for conduct of 'Secretarial Audit' for bigger companies by a PCS. It is hoped that the Companies Bill, 2011 will be passed by both the houses of Parliament and become an Act soon.

REVISION OF SYLLABUS

The quality of a member of a professional body like ICSI is determined by the quality and contents of the syllabus and training. The corporate functioning and operations have become dynamic in nature requiring high level of skill, knowledge and understanding to deal with complex issues to the complete satisfaction of service seekers. It, therefore, requires the syllabus to be constantly updated and revised at short intervals.

The Council of the Institute had revised the syllabus in 2007. The nomenclatures for different stages were changed from foundation course, intermediate course and final course to Foundation Programme, Executive Programme and Professional Programme, respectively.

The Council of the Institute has again revised the syllabus for Foundation, Executive and Professional Programmes in 2012 which has been given



ICSI CONVOCATION

To award Associate and Honorary Membership of the Institute, the Council of the Institute has approved holding of ICSI convocation (Region-wise) for every six months, since second half of 2012. The first convocation for Eastern Region was held on 09th November, 2012 at Kolkata, the 2nd Convocation for Western Region was held at Mumbai on 19th November, 2012, the 3rd Convocation for Northern Region was held on 24th November, 2012 at New Delhi and the 4th Convocation for Southern Region was held on 30th November, 2012 at Chennai. The newly admitted members who were awarded their membership certificates at the above convocations were delighted with joy and happiness at this initiative of ICSI and received their membership certificates with pride after taking an oath that they would conduct themselves as being worthy members of the Institute and faithfully and diligently adhere to core values of the profession of Company Secretaries at all occasions and maintain its reputation.



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contemporary spirit by incorporating electives at the Professional Programme level. The new syllabus places greater emphasis on due diligence, financial management, compliance management, corporate governance, sustainability and ethics etc. The Council decided to implement the new syllabus for Foundation Programme w.e.f. February, 1, 2012, Executive Programme w.e.f. February 1, 2013, and Professional Programme w.e.f. September 1, 2013.

USE OF OMR /ICR BASED TECHNOLOGY IN EXAMINATIONS

The Institute has adopted advanced IT solutions by using OMR and ICR based technology for scanning of answer books, examinees attendance sheets, examiners' marks-sheets, etc., effective from December, 2011 examinations, with the objective to achieve fast and efficient result processing and highest level of accuracy.

Keeping in view the tech-savvy new generation and to leverage the information technology, the Institute has substituted the traditional method of writing descriptive examination with OMR based examination for the Foundation Programme from December 2012.

PEER REVIEW BOARD

Peer Review Board was constituted, Guidelines for Peer Review of Attestation Services by Practising Company Secretary were notified in the Gazette of India, Process of Empanelment of Peer Reviewers has been commenced, Training for Peer Reviewers is being organized and PCS Firms are being identified for Peer Review. The Peer Review process is expected to improve the standards and quality of service and will help both the PCS and the Corporates.

QUALITY REVIEW BOARD

Pursuant to the Company Secretaries (Amendment) Act, 2006, Quality Review Board has been established to make recommendations to the Council with regard to the quality of services provided by the members of the Institute, to review the quality of such services and to guide the members of the Institute to improve the quality of services and adherence to the various statutory and other regulatory requirements. The Quality

Review process is expected to improve the standards and quality of service and will help both the PCS and the Corporates.

PRESENTATION AT WTO

ICSI came out with a unique research paper and pitched for a new classification under Services Sectoral Classification List of WTO by the name of "Corporate Governance, Compliances and Secretarial Advisory Services". A landmark achievement was a presentation by CSIA before the "Committee for Specific Commitments" of WTO on 25th June, 2012 in Geneva, Switzerland. It is an extremely difficult and time consuming task but if we succeed, it will change the face of the profession of Company Secretaries globally.

ICSI-CENTRE FOR CORPORATE GOVERNANCE, RESEARCH AND TRAINING

The erstwhile ICSI-Centre for Corporate Research and Training (CCRT) has been rechristened as Centre for Corporate Governance, Research and Training (CCGRT), to sharpen its focus on Corporate Governance. The building, housing ICSI-CCGRT has been refurbished to give it a new look and ambiance with most modern gadgets, well equipped auditorium, conference and training halls, hostel rooms and rich library. The ICSI-CCGRT has conducted a number of Directors Development Programmes and other professional development and training programmes for members and other corporate executives, besides the residential MSOP which is the unique feature of the ICSI-CCGRT. The ICSI-CCGRT has brought out 23 select publications, Training Modules and the following Secretarial Standards and Guidance Notes since 2003:

SECRETARIAL STANDARDS

- SS 3: Secretarial Standard on Dividend
- SS 4: Secretarial Standard on Register and Records
- SS 5: Secretarial Standard on Minutes
- SS 6: Secretarial Standard on Transmission
- SS 7: Secretarial Standard on Passing Resolutions by Circulation
- SS 8: Secretarial Standard on Affixing of Common Seal
- SS 9: Secretarial Standard on Forfeiture of Shares
- SS10: Secretarial Standard on Board's Report
- SS11: Secretarial Standards on Registration, Modification & Satisfaction Of Charges (Under process)

GUIDANCE NOTES

- Dividend
- Buy Back of Securities
- Board's Report
- Preferential Issue of Shares
- Corporate Governance Certificate
- Listing of Corporate Debts
- Related Party Transactions
- Board Processes
- Non Financial Disclosures
- Material and Price Sensitive Information (Under process)
- Certification for Listing / Issue of shares by SMEs (Under Process)

RESEARCH DOCUMENTS

- Secretarial Audit



- National Company Law Tribunal (NCLT)
- Foreign Exchange Management Act (FEMA)
- Segment-wise Role of Company Secretaries (Under process) - in 23 segments including Banking & Insurance Industry, Infrastructure & Development, Power Sector, Tourism Industry, Pharmaceutical Industry, Entertainment Industry, VCFs, Issue and STAs, Portfolio Managers, Merchant Bankers, Credit Rating Agencies, Mutual Funds, Brokers & Sub-brokers, ITES & BPOs, DPs, Commodity Markets, etc.

AMENDMENT TO CS ACT/CS REGULATIONS

The Company Secretaries Act, 1980 and the Company Secretaries Regulations, 1982 have been amended few times during this period:

- **The Company Secretaries (Amendment) Act, 2006** liberalized the provisions regarding annual membership and certificate of practice fee, the size of the Council was increased from 15 to 20 members, the term of the Council was increased from 3 years to 4 years and provided for establishing Finance Committee, Quality Review Board and strengthening of disciplinary mechanism by establishing Directorate of Discipline, Board of Discipline, Disciplinary Committee and Appellate Authority.
- **The Company Secretaries (Amendment) Regulations, 2010** notified on 23rd July, 2010 deals with consequential amendments in the Company Secretaries Regulations in view of the Company Secretaries (Amendment) Act, 2006 regarding annual membership fees, annual fee for certificate of practice, cancellation of certificate of practice, restoration of membership, procedure for investigation of a complaint, standing committees and their functions, amendment in regulations pertaining to conduct of elections, duration of office of Regional Councils in view of the Company Secretaries (Election to the Council) Rules, 2006, membership of other professional bodies for partnership etc.
- **The Company Secretaries (Amendment) Act, 2011** allows Company Secretaries to form LLPs to enlarge the spectrum of the services provided by members of the CS Institute and also to ensure the competitiveness of the members of the Institute.
- **The Company Secretaries (Amendment) Regulations, 2012** notified on 4th June 2012, provides for introduction of Corporate Compliance Executive Certificate, provisional enrolment for undergoing coaching for Executive Programme, Post Membership Qualification Courses in (i) Corporate Restructuring and Insolvency and (ii) Competition Law in addition to other amendments.

INTERFACE WITH GOVERNMENT AND REGULATORS

ICSI has very closely worked with various Government and Regulatory Authorities. A constant and regular engagement with such authorities has brought dividends to the ICSI and the profession. This has resulted in ICSI representatives being on various Committees/Groups including Dr. J J Irani Committee, National Advisory Committee on Accounting Standards (NACAS), Accounting Standards Board - ICAI, Cost Accounting Standards Board - ICWAI, Governing Council and the Board of Trustees of the National Foundation for Corporate Governance (NFCG), Indo-UK Taskforce on Corporate Affairs, Indo-UK Accountancy Task Force, Committee to administer Investor Education and Protection Fund (IEPF), The Associated Chambers of Commerce and Industry of India - Merger & Acquisition Council, Association of National Exchanges Members of India -

Guidance and Legal Aid Committee and Education & Investors Awareness Committee (ANMI), Task force with regard to the Plan Budget of the MCA for the 12th Five Year Plan, Stakeholders' Committee at MCA for ensuring continuous improvements in service delivery under MCA21, Consultative Evaluation Committee (CEC), MCA, Committee to identify the tax issues arising out of convergence between the Companies Act, 1956, IFRS, DTC and GST and matters related thereto, The New India Membership Development Committee of INSOL International, Working Group constituted in the area of Corporate Governance and Corporate Social Responsibility as per provisions of LOI signed between India-Netherlands, Committee of a group of Experts to examine the simplification of LLP Act, Rules and Approach/ Methodology for promoting LLPs, Committee to look into the issues of regulatory gaps, overlaps and complementarities in regulatory framework applicable to banking sector with reference to RBI, SEBI and IRDA, Dept. of Financial Services Govt. of India, GRI Taxonomy Review Team, Advisory Group to the GRI Focal Point India, Committee for follow-up of Action Points relating to Investor Related Issues, Committee to examine the existing Guidelines for processing of applications of Companies pertaining to Managerial Remuneration and to suggest suitable modifications therein and Adi Godrej Committee to formulate a Policy Document on Corporate Governance.

I have the honour of appearing before the Hon'ble Parliamentary Standing Committee as a part of ICSI delegation in respect of Examination of the Indian Trusts (Amendment) Bill, 2009; Examination of the Higher Education and Research Bill, 2011; Examination of Companies Bill, 2009; and Horizontal Study of Corporate Governance in Select CPSUs.

INFORMATION TECHNOLOGY INITIATIVES

The Institute has made significant achievement in leveraging of technology in its operations to provide better and faster value added service to its stakeholders including the following:

- E-Learning portal for the students which provides web based, video based and virtual



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class room environment for the students on 24X7 anywhere in the world

- Compulsory Computer Training for the students
- E-MSOP, E-SIP, E-EDP for training of students
- Dispersal of marksheets and admit cards to the students through electronic mode
- ICSI-Direct (online registration of students and enrollment for examination)
- ICSI-Knowledge Portal
- Company Secretary Management Information Center (COSMIC) which includes major IT initiatives like Enterprise Resource Planning through Oracle Apps., Document Management System through Sharepoint portal, Emailing system, Online Services, Office Communication Services
- Website on latest Microsoft Dot Net Nuke (DNN) platform with integration of social networking
- Structured Local Area Network (LAN) at ICSI HQ and ICSI Noida sites
- Wide Area Network between the major offices of the Institute
- Adoption of latest technology in application Software in MS dot net platform
- Payment Gateway for online services
- Chartered Secretary on CD
- Study Materials on CD and on website
- IT Security Audit and Implementation as per BS 7799 security standards
- Information technology system audits

INFRASTRUCTURE DEVELOPMENT



Infrastructure development has always been the priority of the Council which reflects in both Vision 2010 and Vision 2020 documents of the ICSI. The recommendations of the Core Groups on Strengthening Infrastructure constituted by the Council from time to time are being implemented to strengthen

the Infrastructure at Regional and Chapter offices. The following developments are noteworthy:

- The total number of chapters have increased from 39 as on 31st March, 2003 to 68 as on 31st March, 2012

- The Institute currently has its own premises at 28 locations
- The total investment made in acquiring land (freehold + leasehold) and buildings made during the period is Rs.34.37crores which is 81% of the total value of the land and buildings of the ICSI in its books as on date
- During the period new offices have been constructed for SIRO at Chennai, additional office space for WIRO at Mumbai, new offices for chapter offices at Coimbatore, Nagpur, Patna, Bhubaneswar, Lucknow, Hooghly and Mysore and land has been acquired for setting up of offices at Faridabad, Bhilwara, Udaipur, Hyderabad, Guwahati and Bangalore
- Process has been initiated to acquire land/offices at Shimla, Ajmer, Jammu, Srinagar, Gurgaon, Allahabad, Jodhpur, Kota, Vishakhapatnam, Kochi, Thiruvananthapuram, Madurai and Thane
- During the period the ICSI Headquarters at New Delhi and ICSI-CCGRT campus at Navi Mumbai have been completely renovated into modern offices with latest facilities. The offices of NIRO and WIRO are under renovation and proposal for renovation of EIRO is being finalized.

ORGANIZATION TRANSFORMATION AND HUMAN RESOURCE DEVELOPMENT



In order to transform ICSI into a world class organization which follows the latest management and HR practices, a high performance organization assessment was conducted which covered all the employees of the Institute including the Regional and Chapter Offices. About 185 employees participated in this assessment and about 100

employees including all HODs had one to one interaction with outside experts. Scores were taken and tabulated on the six organizational health parameters of leadership, directions, roles, systems, communication and relationships. The key findings of the assessment, the top ten issues and the action plan were shared with the employees. An Organization Re-invention Committee was formed to brainstorm ideas on how to improve trust and motivation in the organization. The Organization Re-invention Committee deliberated over the key issues thrown up by the organization assessment and made concrete suggestions to improve the work culture and motivation level of employees of the Institute.

Structured training programmes for all the employees including the leadership team were conducted off-sight and on-sight which were followed by series of training programmes in the areas of positive thinking, self-motivation, accountability and ownership, communication skills, inter-personal relationships, customer orientation etc. based on employee feedback, needs and organizational objectives. The above initiative paid rich dividends. Series of "Change Management Workshops" were also organized to sensitize Team ICSI about the changed environment, systems and processes, work culture, increased stakeholders expectations and the results were found to be extremely positive. Team ICSI must be complemented for its wonderful, encouraging and positive response to this initiative which helped to transform ICSI as a dynamic and vibrant organization.

RECOGNITIONS TO THE PROFESSION

The profession received all-round recognitions from the Government and various regulatory authorities. Some of the important recognitions received during this



period are as under:

- Company Secretaries recognized as 'Key Managerial Personnel' along with CEO and CFO in the Companies Bill, 2011
- 'Secretarial Audit' made mandatory for bigger companies by a PCS in the Companies Bill, 2011
- Compliance of 'SS-1 on Meetings of the Board of Directors and SS-2 on General Meetings' issued by ICSI made mandatory in the Companies Bill, 2011
- PCS authorized to appear before Competition Commission of India and Competition Appellate Tribunal as authorized representative
- PCS to act as authorized representative before the Board of Approval under Special Economic Zones Rules, 2006
- PCS authorized to issue certificate of compliance of conditions of corporate governance under Clause 49 of the Listing Agreement
- PCS recognized by NSDL for conducting concurrent audit of its participants.
- PCS to issue Certificate regarding compliances by trading members for submission to NSE
- PCS to conduct Internal Audit of Portfolio Managers, Stock Brokers, Trading Members and Clearing Members on half yearly basis
- PCS to conduct Internal Audit for Credit Rating Agencies
- PCS to issue Networth Certificate to active members for submission to BSE.
- PCS recognized for Pre-Certification of e-forms under MCA-21 e-governance project
- PCS authorized to issue diligence Reports to all scheduled commercial banks in respect of companies assisted by banks through consortium/multiple banking arrangements.
- PCS authorized to appear before VAT authorities in 8 states
- Institute recognized under Investor Education & Protection Fund

DID YOU KNOW?

The Institute made strides in multiple areas during the period. An analysis of the data of the Institute regarding its financials, membership, students, manpower etc. brings out interesting information as shown below:

FINANCIALS

- The Income from members as a percentage to revenue remained almost static at 2.46% in 2011-12 as against 2.39% in 2003-04
- The Income from students has significantly risen to 73.81% in 2011-12 as against 56.27% in 2003-04
- An all-round reduction in expenditure as a percentage to total revenue in the year 2011-12 when compared to 2003-04, in particular, establishment from 24.79% to 13.21%, study material and others from 9.55% to 7.08%, publications from 1.63% to 0.38%, communications from 2.74% to 0.97%, travelling and conveyance from 2.61% to 0.82%, other expenses from 15.60% to 7.34% shows high level of financial discipline and optimum use of resources
- The surplus at 15% of the revenue in 2003-04 has shown a quantum jump and climbed to 48.48% of the revenue in 2011-12 which demonstrates outstanding performance of the Institute in last nine years.

ICSI Students Education Fund Trust

With a view to encourage and motivate economically backward and academically bright students to pursue the Company Secretaryship Course, a Trust viz. " ICSI

COMPANY SECRETARIES BENEVOLENT FUND (CSBF)

The membership of CSBF was 3981 on 31st March, 2003 and is 9568 as on 31st October, 2012 registering a growth of 140%. The corpus of the fund has registered a growth of 765% and increased from Rs.1,04,24,865 as on 31st March, 2003 to Rs.9,01,99,553 as on 31st October, 2012.



Numbers



₹ in lacs



The financial assistance to the members of bereaved family of a member upto the age of 60 years in the event of his death has increased by 400% from Rs.1.00 lac to Rs.5.00 lacs and assistance on account of reimbursement of medical assistance and children education allowance have also been increased substantially.



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Students Education Fund Trust " was established in September 2009. The eligible students are fully exempted from paying the Registration / Admission/Postal Tuition/Exemption Fee for admission to Foundation / Executive Programmes and subsequently exempted from payment of fee for Executive / Professional Programmes based on their performance. The corpus of the Fund as on 31st October, 2012 is Rs.2,46,01,346.

ICSI National Award for Excellence in Corporate Governance Fund

With a view to strengthen the ICSI National Award for Excellence in Corporate Governance, a Fund was created in the Financial Year 2004-05 with a meager contribution of Rs.12,60,000. The ICSI has contributed generously to the Fund which now has a corpus of Rs.10,56,79,342 as on 31st October, 2012. It has enabled the Institute to meet all expenditure related to the above award from the resources of the Fund on self-sustained basis without seeking any advertisement/sponsorship support from corporates.

ICSI Infrastructure Fund

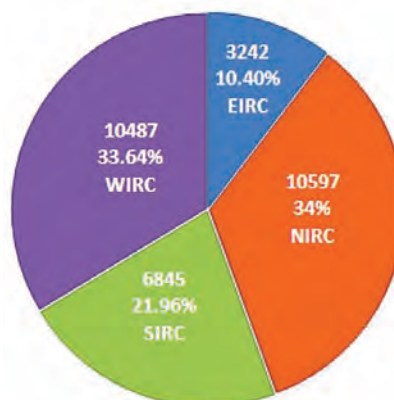
With a view to strengthen infrastructure across all offices of the Institute including Regional and Chapter Offices, an Infrastructure Fund was created during the Financial Year 2010-11 with a contribution of Rs.10 Crores. Additional contribution of Rs.15 Crores during 2011-12 and Rs.25 Crores during 2012-13 were made. A sum of Rs.12,94,13,916 has been utilized leaving a balance of Rs.26,20,85,908 as on 31 October, 2012.

ICSI Employees Benevolent Fund

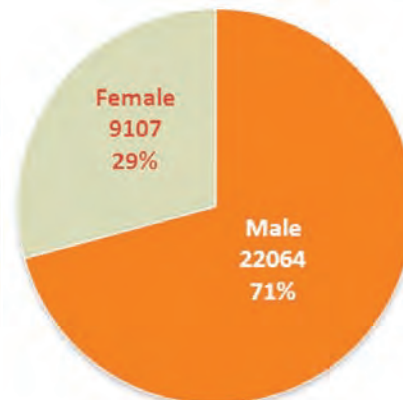
The corpus of the Fund as on 31st March, 2003 was Rs.17,51,282. The Institute has contributed generously to the above Fund which has increased to Rs.1,73,22,510 as on 31st October, 2012. The financial assistance to the bereaved family of an employee member of the fund in the event of his death, reimbursement of medical expenditure and Children Education Allowance has been substantially increased since 2003.

MEMBERSHIP

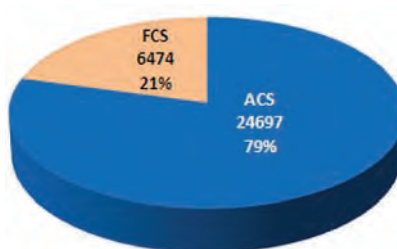
REGION WISE



GENDER WISE



ACS / FCS MEMBERS



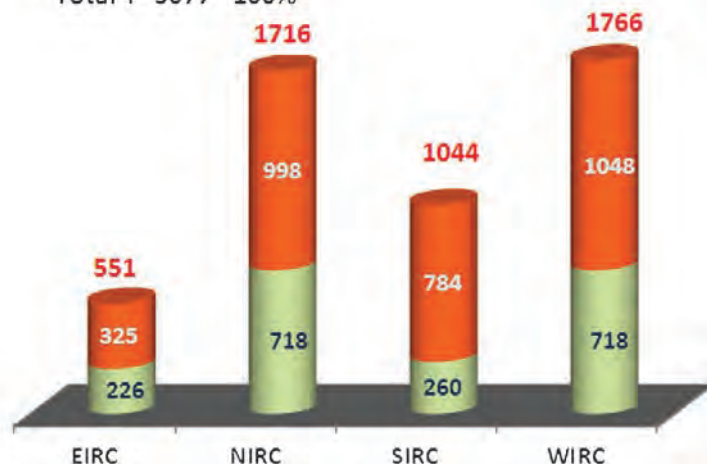
ENGAGEMENT OF CURRENT MEMBERS



CP HOLDERS -

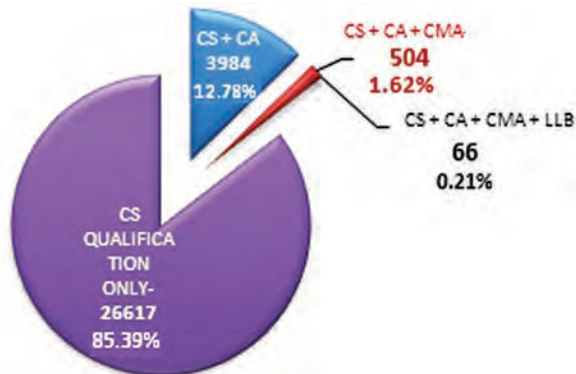
REGION / GENDER WISE

Male : 3155 62.14%
Female: 1922 37.86%
Total : 5077 100%



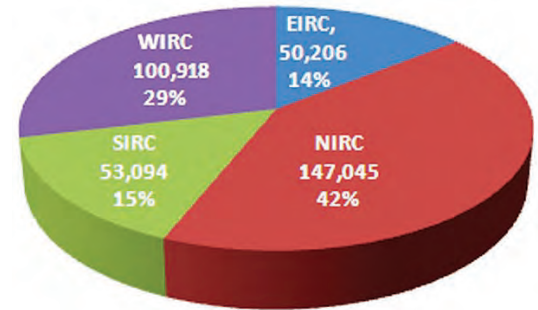


QUALIFICATION WISE

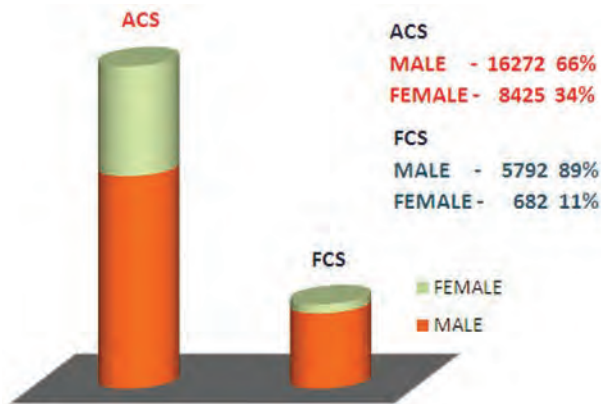


STUDENTS

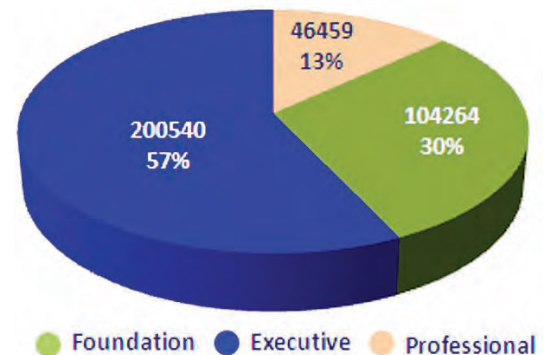
Region Wise - Students



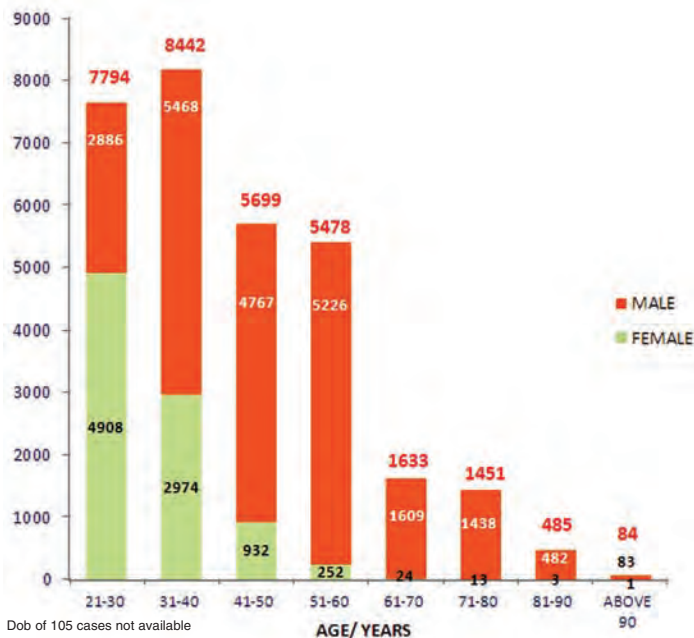
ACS / FCS - GENDER WISE



Programme Wise - Students

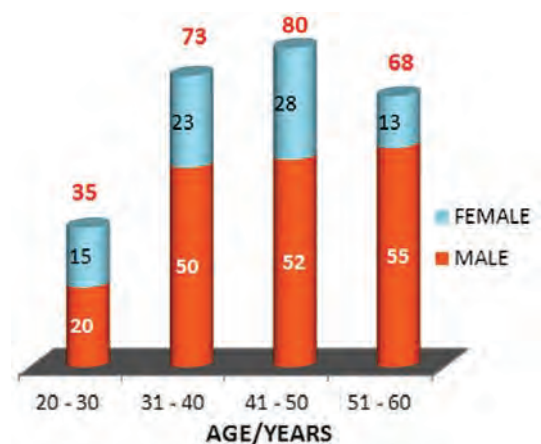


AGE WISE BREAK-UP – MEMBERS



EMPLOYEES

Age Wise

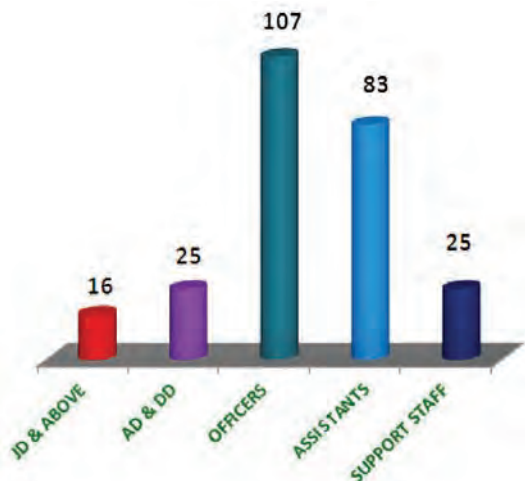




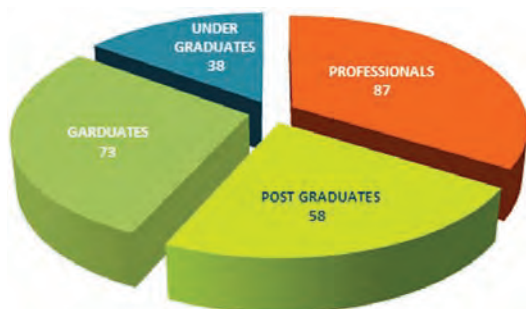
Special Feature

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Position Wise



QUALIFICATION-WISE BREAK-UP



ICSI VISION 2020



The Company Secretaries profession has seen steady yet phenomenal growth, not only in terms of number of students and members, but more importantly in terms of its acceptance by trade and industry, regulators and other stakeholders. As in the case of any profession, the

profession of Company Secretaries has evolved much, and that process continues.

Factors such as stakeholders expectations, environmental factors, its strengths and weaknesses, the competitive landscape are driving the pace and direction of the evolutionary

processes. Therefore, it was critical to track these factors closely so as to be able to frame the right strategies and responses.

The ICSI Vision 2020 framework is a conscious effort to make such assessment and devise suitable strategies and action plans to determine the pace and direction of the growth of the profession of Company Secretaries over the decade 2011-2020. Under the Chairmanship of Mr. Ravi Kastia, Group Executive President and Business Head, Aditya Birla Group and guidance of Dr. M B Athreya, Management Advisor, as Advisor to the Core Group, the ICSI Vision 2020 was finalized after detailed consultative process and released in December, 2011. The Mission and Vision Statements and the Core values as adopted by the Council and enshrined in ICSI Vision 2020 are as under:

Mission Statement:

The expectations derived from the stakeholders surveyed guided the formulation of the Mission Statement of the Institute as under:

"To develop the high calibre professionals facilitating Good Corporate Governance"

Vision Statement:

In line with its Mission Statement, the Institute adopted the following Vision Statement:

"To be a global leader in promoting Good Corporate Governance"

Core Values:

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

- Integrity
- Ethics
- Reliability
- Ownership
- Being Stakeholder centric

THRUST AREAS FOR NEXT DECADE

As the changing business and regulatory environment and the ever increasing expectations of stakeholders will be the norm in the future, it is extremely important not only to reshape and reposition the profession with long term vision and futuristic thinking but also to design and implement the action plan effectively, and in a timely way. Vision 2020 document of the Institute has identified the thrust areas for the next decade and accordingly the underlying objectives of the Institute in the next decade should focus on:

1. Meeting the expectations of the trade and industry in terms of value added services;
2. Sustaining the faith and trust of the Government and regulators through demonstrating the highest level of professionalism;
3. Providing leadership in the promotion of good corporate governance and corporate social responsibility; and to establish benchmarks of good Corporate Governance Practices at its Centre for Corporate Governance, Research and Training;
4. Enabling **members in employment to become "Corporate Managers"** occupying management positions involving frontline activities and decisions making processes;



5. Conducting workshops at Regional and Chapter levels as well as residential workshops at its Centre for Corporate Governance, Research and Training to build capacities of the **members in practice to become "Corporate Advisors"**;
6. Motivating and supporting members and to help them diversify into new and emerging areas of employment and to become independent professionals;
7. Improving examination, training, and continuous professional development;
8. Transforming the Institute into a world class professional body by leveraging technology for upgrading infrastructure facilities at all levels, training and reorientation of employees and improving the quality of services to all its stakeholders;
9. Enhancing the visibility and brand value of the profession;
10. **Maintaining and enforcing the highest standards of professional values and ethics.**

CHALLENGES BEFORE THE PROFESSION

Professionals need to equip themselves in tune with external environments. Indeed, the identification of grey areas, professional foresight, suitable capacity building is the base for success of profession. The major challenges before the profession are:-

- Competition from other professions
- Coping with increased technological interface
- Responding to the speed of change and innovation
- Meeting with rising quality of standards
- Satisfying the accelerated demands
- Conforming to certain code of conduct expected by the society at large
- Perform, exceeding the expectations
- Increasing corporate mishaps - Ethical attitude, risk management etc.

END NOTE

ICSI pursues its dreams with missionary zeal, converts its dreams into reality and thus dreaming and the process of realizing those dreams goes on. The implementation of strategies well outlined in ICSI Vision 2020 in an effective and time-bound manner is vital for achieving the Institute's Vision and for translating its dreams into reality. The Council of the Institute, the Regional Councils, the Managing Committees of the Chapters and Team ICSI are dynamic, vibrant and fully committed for the growth and development of the profession of Company Secretaries and surely and certainly will implement, effectively and efficiently the strategies outlined in ICSI Vision 2020 to realize ICSI dreams in the decade 2011-20 as has been done during the decade 2001-2010.

It is said that the road to progress is always under construction. This is truly real for ICSI as ICSI is always and constantly growing, developing and evolving as one of the best Institutes to deal with and it is a rare honour and privilege to have worked for such an esteemed institution.

I convey my gratitude to the successive Councils, Regional Councils, Chapters, Members, Students, Team ICSI, Government & Regulatory authorities, Bankers, Auditors and all other stakeholders of ICSI for their advice, guidance, support and co-operation during my tenure at ICSI from 1st July 2003 till 31st December 2012 and offer my greetings and good wishes for a Very Happy, Prosperous and Enjoyable Year 2013.



GREEN INITIATIVES

The Institute has taken important green initiatives as stated below:

- The system of sending hard copies of Results to the Examination Centres, Regional Councils/Chapters was discontinued and the results are sent through email from June, 2010.
- The practice of dispatch of 'Result-cum-Marks Statement' for Foundation and Executive Programme Examinations in physical form had been discontinued and downloading E-Result-cum-Marks-Statements was introduced from June, 2011.
- The system of sending hard copies of the admit card to the candidates was discontinued and the facility of downloading the same from the Institute's website was introduced.
- The system of sending hard copies of the annual reports of ICSI and CSBF to the members was discontinued and the annual reports are being sent to the members electronically and placed on the website of the Institute from 2011.
- Every Wednesday has been declared a zero print day at ICSI.
- Awareness campaigns have been initiated for conservation of water & energy, plantation of trees, reduction of paper consumption, to increase use of re-cycled products, proper disposal of redundant electronic goods, etc.



Articles

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Supreme Court's decision in *Sahara India Real Estate Corporation Ltd v. SEBI* The lesson to learn from

In a landmark ruling the Supreme Court recently held that the Optionally Fully Convertible Debentures issued by two Sahara Group Companies was a public offer and hence fell within the purview of SEBI Regulations and since the company failed to comply with relevant SEBI Regulations the amounts collected were directed to be refunded. The implications of this ruling are analysed here threadbare.

INTRODUCTION

On 31st August 2012 the Supreme Court of India, in its landmark judgment in *Sahara India Real Estate Corporation Ltd. and others v. Securities and Exchange Board of India and another* [2012] 174 Comp Cas 154 (SC), directed two companies of the Sahara Group, Sahara India Real Estate Corporation Limited (SIRECL) and Sahara Housing Investment Corporation Limited (SHICL), to refund around Rs 17,400 crores to their investors within three months from the date of the order with an interest of 15% per annum.

SIRECL and SHICL offered for subscription Optionally Fully Convertible Debentures (OFCD) and collected

between April 2008 and April 2011 over Rs. 17,656 crores, from about three crore investors. This was done pursuant to special resolutions passed under section 81(1A) approving the issue of OFCDs. For inviting investors to subscribe to the OFCDs, an Information Memorandum (IM) was circulated after it was filed with the Registrar of Companies, purportedly under section 60B of the Companies Act, 1956. But the IM described the issue as 'Private Placement Issue' and hence did not comply with the requirements applicable to the 'public issue' of securities.

On investigation, a Whole-time Member of SEBI passed an order on 23 June 2011 directing the two companies to refund the money so collected to the investors and also restrained the promoters of the two companies from accessing the securities market till further orders. In the appeal that Sahara preferred before the Securities Appellate Tribunal (SAT) against the order of the Whole-time Member, the SAT confirmed and maintained the order of the Whole-time Member by an order dated 18th October, 2011. Subsequently Sahara filed an appeal before the Supreme Court against the SAT order. The Supreme Court confirmed the findings of the SAT and asked SEBI to probe into the matter and find out the actual investors who had subscribed to the OFCDs.

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The cardinal rule of interpretation of statute is to construe its provisions literally and grammatically giving the words their ordinary and natural meaning. It is only when such a construction leads to an obvious absurdity which the Legislature cannot be supposed to have intended that the Court in interpreting the section may introduce words to give effect to what it conceives to be the true intention of the Legislature.

One of the issues for determination before the Supreme Court was whether the OFCD issue was a public issue or whether it was private placement issue so as not to fall within the purview of SEBI Regulations and various provisions of the Companies Act, 1956. This was the most controversial and momentous issue and the Supreme Court extensively discussed it in the context of the provisions of section 67 of the Companies Act, 1956 and held that although the intentions of the two companies were to make the issue of OFCDs as a private placement issue, their actions were incompatible with and contrary to their intentions and in the process the provisions of section 67(3) were violated.

The Sahara judgment is vital not only to companies and professionals (in particular company secretaries) but also to the regulatory authorities and merchant bankers, because it has dealt with several other provisions of the Companies Act, 1956 and SEBI Act & Regulations concerning issue of securities and especially, the key provision, that is section 67, which concerns all types of companies including private companies.

DIFFERENCE BETWEEN 'ISSUE/OFFER' AND 'ALLOTMENT'

The cardinal rule of interpretation of statute is to construe its provisions literally and grammatically giving the words their ordinary and natural meaning. It is only when such a construction leads to an obvious absurdity which the Legislature cannot be supposed to have intended that the Court in interpreting the section may introduce words to give effect to what it conceives to be the true intention of the Legislature.¹

The First Proviso to section 67(3), it is worth noting, applies to 'offer' or 'invitation' and not to 'allotment'. There is no (and there cannot be) reference to allotment. The Proviso specifically uses the word 'offer' which cannot be ignored nor can it be treated as a synonym of 'allotment'. It was held in an English case that the words 'creation', 'issue' and 'allotment' are used with the three different meanings familiar to business people as well as to lawyers. There are three steps with regard to new capital; first it is

created; till it is created the capital does not exist at all. When it is created it may remain unissued for years, as indeed it was here; the market did not allow of a favourable opportunity of placing it. When it is issued it may be issued on such terms as appear for the moment expedient. Next comes allotment."²

As held by the Supreme Court shares of a company come into existence on the evolution of a process which begins with the creation of shares and ends with the allotment thereof; the intermediary step is that of 'issue' of the shares; it is on 'allotment' of shares that the shares come into existence.³

Accordingly, if an 'offer' or 'invitation' has been made to 50 or more persons, such offer or invitation will amount to a public offer/invitation and will, therefore, not remain within the purview of the substantive provision of sub-section (3). This number is relevant in respect of any one single offer of shares, even if it is made over a period of time.

Notably, section 67 and, most provisions of the Companies Act, 1956 concerning issue of securities, prefer the word 'offer' or 'invitation' rather than 'issue' although popularly the expressions 'public issue', 'private placement issue', 'rights issue', etc are in vogue. The word 'issue' is used to denote the ordinary meaning of the word, i.e. a quantity of something that is officially offered for sale or put into circulation at one time; to put out; deliver for use, sale, etc.; put into circulation. The correct terms in the context of provisions of the law (in particular, section 67), however, should be 'public offer', 'private (placement) offer' and 'rights offer'. The word 'offer' used in the context of formation of a binding contract of taking shares has a different connotation that the word 'offer' in the expression 'offering shares'. The expression 'offering shares' means presenting shares for subscription by making it known to the person to whom they are offered that he may take the shares and subscribe for them and thereby become a shareholder of the company. In terms of law of contract it is merely an invitation for getting offers for subscription for shares made by prospectus or any other document or even orally.

In fact, the expression 'issue of shares' has been interpreted by the UK's Supreme Court as meaning not only the passing of a resolution or making of an offer or receiving applications for subscribing to the shares, but it is something more than that, and it contemplates the process of an application followed by allotment and notification and completed by entry on the register; the term 'issue' in relation to shares means something distinct

² *Mosely v. Koffyfontein Mines Ltd.* (1942) 1 Ch. 235; see also *Re Florence Land and Public Works Co.* (1885) LR 29 Ch. D 421.

³ *Sree Gopal Jalan v. Calcutta Stock Exchange Association Limited* (1963) 33 Comp Cas 862; AIR 1964 SC 250; This view was reiterated by the Supreme Court in *Morgan Stanley v. Kartick Das* (1994) 3 Comp LJ 27; [1994] 81 Comp Cas 318 (SC).

¹ *Nanlal Zaver v. Bombay Life Assurance Co., Ltd* AIR 1950 SC 172.



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from allotment and imported that some subsequent act had been done whereby the title of the allottee had become complete.⁴

Anatomy of section 67: The 'public offer' versus 'private offer' imbroglio

When a company wishes to raise fresh capital by issuing shares, there are a number of factors it should consider; among these will be the method of marketing the securities, technically called offering securities by different methods.

While a listed public company may make a public offer, rights offer or private (placement) offer, an unlisted company may resort to a public offer (if it wants to get listed), rights offer or private placement offer. A private company which is a subsidiary of a public company may make a public offer (if it wants to get listed), rights offer or private placement offer, and a private company which is not a subsidiary of a public company, may raise capital through rights offer or private placement offer (depending upon provisions in its articles of association).

Section 67 of the Companies Act lays down the criterion for construction of references to offering shares or debentures to the public, etc. In other words, this section provides an aid to determine as to when an offer or invitation for subscribing for securities can be said to be one to the public and when it is not. An offer which is not a private placement offer would be deemed to be a public offer. Broadly, an offer to subscribe to shares or debentures to the public at large or to any section of the public would be treated as a public offer if it is intended to invite anybody or it is made in such a way that anybody who wishes to invest can do so or, if he does not so wish, he can renounce the offer made to him. Thus, the offer is not restricted only to specific persons; it does not remain a 'domestic affair'; on the contrary, it turns out to be a 'public affair'.

Sub-sections (1) and (2) of section 67 lay down a test to determine what public offer or public invitation is and sub-section (3) lays down a test to determine what is private placement. While sub-section (1) deals with the case of "offering shares or debentures to the public", sub-section (2) deals with the case of "invitations to the public to subscribe for shares or debentures shall". There is no definition of either of these two expressions. What section 67 really seeks to do is to explain in sub-section (3) as to when an offer or invitation shall be treated as not made to the public, and thereby let a company determine whether what it is doing falls under sub-section (1) and/or (2) or sub-section (3). Thus, once you reach the conclusion that the offer does not fall under sub-section (3), it is axiomatic that it falls under sub-sections (1) and (2). This is sought to be done by a statutory fiction by reason of the words in sub-section (3), namely "No offer

or invitation shall be treated as made to the public by virtue of sub-section (1) or sub-section (2)."

According to sub-section (3) of section 67, an offer or invitation would not be regarded as a public offer if it can properly be regarded, in all the circumstances-

- (a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation; or
- (b) otherwise as being a domestic concern of the person making and receiving the offer or invitation.

By the Companies (Amendment) Act 2000, below sub-section (3) two provisos set out below were inserted:

"Provided that nothing contained in this sub-section shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more:

Provided further that nothing contained in the first proviso shall apply to the non-banking financial companies or public financial institutions specified in section 4A of the Companies Act, 1956."

The effect of the First Proviso is that an offer of securities ceases to be a private placement offer when such securities are offered to fifty or more persons. Conversely, an offer is a private placement offer if the securities are offered to fewer than 50 persons.

It is a well-settled principle of interpretation of a proviso in a statute that the proper function of a proviso is to qualify the generality of the main enactment or provision by providing an exception and taking it out as it were, from the main enactment, a portion which, but for the proviso would fall within the main enactment. A proviso usually carves out an exception to the main enactment and exclude something which otherwise would have been within the section.⁵

The effect of this Proviso is that regardless of what is stated in sub-section (3), an offer for subscription to shares or debentures by any company shall be regarded as a public offer if it has been made to 50 or more persons, even if it is of domestic concern or proved that the shares or debentures are not available for subscription or purchase by persons other than those received the offer or invitation, and if such offer or invitation is made without complying with the provisions of the 1956 Act concerning prospectus and listing and of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, there would be breach of all those provisions of the 1956 Act and also of the Regulations. Such an offer could be branded as a public offer made without complying with the requirements applicable to public offer.

Judicial view on meaning of "offering shares or debentures to the public"

The basis of public offer/invitation in terms of section 67 is

⁴ *National Westminster Bank plc and another v. Inland Revenue Commissioners* [1994] 3 All ER 1 (HL).

⁵ *CIT v. Indo Mercantile Bank Ltd.* AIR 1959 SC 713.



"offering shares or debentures to the public". By section 2(36) of the Companies Act, 1956 "prospectus" is defined as any document described or issued as a prospectus and includes any notice, circular, advertisement or other document inviting offers from the public for the subscription or purchase of any shares in, or debentures of, a body corporate.

It can be noticed that the term "prospectus" is defined very widely to cover in its sweep any notice, circular, advertisement or other document. But it is qualified by the expression "inviting offers from the public for subscription or purchase of any shares in, or debentures of, a body corporate". Thus, a prospectus is an invitation made to the public, inviting offers from the public for subscribing to any shares or debentures of a company. A private company cannot make any invitation to the public to subscribe for any shares in, or debentures of, such company.

The word "public" has been given very wide connotation by sub-section (1) of section 67 by bringing in its fold "any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner". This provision places it beyond doubt that a letter or circular addressed by the company either to the public at large to any selected group of people so as to offer for subscription, or inviting them to subscribe for, the company's securities would amount to offer/invitation to the public. It also indicates that offering securities by a company to its members or debenture holders in a rights offer would also amount to offering them to the public (though this has been excluded from the requirement of prospectus by section 56).

When an offer for subscribing for securities is not a public offer in terms of sub-section (3), it is called 'private placement' of offer. But what the section 67 really lays down is that an offer which is not a private placement offer would be deemed to be a public offer. Broadly, an offer to subscribe to shares or debentures to the public at large to any section of the public would be treated as public offer if it is intended to invite anybody or it is made in such a way that anybody who wishes to invest can do so or, if he does not wish, he can renounce the offer made to him. Thus, the offer is not restricted only to specific persons; it does not remain a 'domestic affair'; on the contrary, it turns out to be 'public affair'.

While according to the definition of 'prospectus' (which includes any document even if it is not designated as prospectus), inviting offers from the public for the subscription or purchase of any shares or debentures is a condition for a document being treated as prospectus, section 67 postulates offering shares or debentures to the public or invitation to the public to subscribe for shares or debentures for the offer or invitation being treated as a public offer/invitation, and both the sub-sections (1) and (2) bring an offer or invitation to any section of the public within the ambit of public offer/invitation. Notably, section 67 nowhere refers to 'prospectus' and makes it a condition that an offer or invitation



must be by prospectus. Then, section 56 requires every prospectus issued to state the matters specified in Part I of Schedule II and set out the reports specified in Part II of that Schedule. Both section 2(36) and 56 require a prospectus to be 'issued'.

It was said by Lord Hailsham L.C. in *Nash v. Lynde* in order to bring section 81⁶ into operation it was not necessary to prove that a prospectus had been published to any defined number of persons but it was sufficient to bring section 81 into operation that the prospectus in question should be proved to have been shown to any person as a member of the public and as an invitation to that person to take some of the shares referred to in the prospectus.

Viscount Sumner dwelt upon the expression 'issue' in the context of prospectus in the following words:

"I do not think that the term is satisfied by a single private communication between friends, even if they are business friends, or even though preparations have been made for other documents to be used in other communications, if none such take place. In the present case all that constituted the "issue" was that one of the directors, in the course of a general endeavour to find money, was furnished with some copies of these typewritten documents and gave one of them to a friend who, as requested, passed it on to a friend of his own. I cannot believe that any one in business would call this the issue of a prospectus. ... Though literally it is true that the issue is not expressly said in the section to be an issue to the public, I think that it must be so in substance,

⁶ Of the English Companies (Consolidation) Act 1908 (corresponding to Section 56 of the Companies Act 1956). Section 81 also uses the word 'issued' in relation to prospectus.



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otherwise any private letter, written by a person engaged in forming a company and advising his correspondent to take shares, would become an issued prospectus if other letters were written by him asking others to do the same."

A company offering shares to selected persons cannot be said to be extending an invitation to buy shares to the public. An offer of shares to an individual as such is not within the prohibition of the word public as used in this section. Accordingly, the number of persons who constitute members of the section of the public to whom the offer is given, is not material. What is material is who is entitled to accept it; if anyone who brings money and applies for the shares or debentures offered, regardless of whether the offer was made to him or not, it is a public offer.

Where the articles of association of a private company authorised the directors to offer and issue further shares to the existing shareholders in the same proportion in which they held the shares, the articles cannot be read to mean that the directors are prohibited from offering and issuing further shares to outsiders if the existing shareholders decline the offer. The article is permissive and not prohibitive.⁷

An offer by a private company to a few of the directors' friends relatives, business associates, etc. will not be deemed to be offer to the public, provided that the offer does not result in being available to a person other than the person to whom the offer is addressed.⁸

As fittingly explained in the *Palmer's Company Precedents*,⁹ "What is an offer to "the public" cannot be definitely stated. The Act contains no definition, and an offer "to the public" is not a technical expression: it should therefore be read in its popular sense. Now, in common parlance, an offer to the public signifies an offer made by advertisement or circular to the general public, or some section thereof, as distinguished from an offer made privately, that is, to a select and small circle of friends, customers or connections. Thus, where a business is converted into a private company, shares offered by the vendors to their friends, relations, or to selected customers, have not been regarded as having been offered to the public. In such cases it is common to announce publicly that "none of the shares will be offered to the public, the whole having been taken up by the vendors and their friends and customers."

In one case¹⁰ a company being in want of further capital, a document was prepared by the appellant, who was the managing

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director, and signed by the other directors, stating the position of the company, that it was proposed to issue 20,000 preference shares, and giving an estimate of the profits after the new capital was available. Attached was an application form for preference shares. A second document was also prepared by the appellant, written on the company's paper and addressed to a fellow director, marked "Strictly private and confidential", which, after setting out the amount of nominal and issued capital, stated the purposes for which the additional capital was required, and concluded thus: "I shall be very happy to discuss this proposition in all its details with any one who is really interested". Attached was a form of application for ordinary shares. Several copies of these documents were given to the appellant's fellow director, who sent a copy to a solicitor; with a request, in substance, that he should find some client willing to provide the capital required. The solicitor sent the documents to the respondent's brother-in-law, and he in turn sent them to the respondent, who, on the faith of the statements, subscribed for 3000 ordinary shares in the company. Subsequently ascertaining that a considerable part of the issued capital had been issued otherwise than for cash—a fact that was not stated in either of the documents – he sued the appellant for damages for the loss he had sustained through the omission by the appellant to comply with the requirements of section 81, sub-section 1(e), of the Companies (Consolidation) Act, 1908 (corresponding to the present section) which provided that every prospectus issued should state the particulars specified in that section. The jury had found that the two documents were an offer of shares by the company to the public but in answer to the question, whether they were in fact issued to the public, the jury said: "There was no proof of this." The House of Lords held that inasmuch as there was no proof that those documents were in fact issued to the public, they were not issued as a prospectus. Referring to the word "public" in the definition of "prospectus" in section 285 of English Companies Act, 1908 (corresponding to

⁷ *Rattan Singh v. Managing Director, Moga Transport Co Ltd* [1959] 29 Comp Cas 165 (Punj): AIR 1959 Punj 196.

⁸ *Ibid.*

⁹ 17th edition, p 58.

¹⁰ *Nash v. Lynde* (1929) AC 158.



section 2(36) of 1956 Act) Viscount Sumner said:

"The public, in the definition in section 285, is of course a general word. No particular numbers are prescribed. Anything from two to infinity may serve: perhaps even one, if he is intended to be the first of a series of subscribers, but makes further proceedings needless by himself subscribing the whole. The point is that the offer is such as to be open to any one who brings his money and applies in due form, whether the prospectus was addressed to him on behalf of the company or not."

It is worth noting here that as against *Nash v. Lynde*, in *Sahara*, there was proof of the fact that IM offering the OFCDs was issued to the public. It was noticed that IM was issued through 10 lac agents and more than 2900 branch offices to more than 30 million persons inviting them to subscribe to the OFCDs which amounted to invitation to public.

Private placement of shares or debentures

Sub-section (3) of section 67 lays down the test for an issue to be treated as a private placement issue. In *Shahra*, both the Judges dwelt upon these provisions of section 67. One of the Judges (Jagdish Singh Khehar J.) explained the import of the provisions as follows:

"Section 67(3) ... provides for an exception to the meaning assigned to the phrase "to the public" (under sub-sections (1) and (2)...). In this behalf section 67(3) delineates two categories of invitations/offers which would not be treated as invitations/offers, "to the public". Clause (a) of section 67(3) mandates, that an offer/invitation which forbids a right of renunciation in favour of others would "not" be treated as an invitation or offer "to the public". And clause (b) of section 67(3) similarly provides, that an invitation/offer made as a matter of a domestic arrangement, between the persons making and receiving the invitation/offer, would also "not" be considered as an invitation/offer "to the public". The first proviso under section 67(3) ... limits the instant exceptions, contemplated under clauses (a) and (b) of section 67(3) only to situations where the invitation/offer is made to less than 50 persons. Even though, clauses (a) and (b) of sub-section (3) of section 67 of the Companies Act, are an exception to sub-sections (1) and (2) of section 67 thereof, yet it must be clearly understood, that a mere fulfillment of the yardstick defining the exception (under clauses (a) and (b), aforesaid) would not bring the issue under reference out of the scope of the term "to the public". For that, it is essential to also satisfy the requirement of the proviso under section 67(3) i.e., the number of subscribers should not exceed 49. Only on the satisfaction of the twin requirements, delineated above, the issue/offer will "not" be treated as having been made "to the public".

Section 67 is almost identical with section 55 of the English Companies Act, 1948, do recognize the concept of 'private placement' of shares without making any public offer or public

invitation for subscribing to the shares issued. The phrase 'private placement' is not used or defined in the 1956 Act. It has seemingly been derived from the word 'placing' in the context of issue of securities which was in vogue long ago denoting the sale by a company to a financial institution or a broking house of shares, bonds etc. for distribution, or to a selected group of individuals or institutions without offering them to the public by advertisement.¹¹ The placing may not be by any broking house or other agent of a company; it may be done by the company itself in which situation it is called 'private placement'. The 'private placement' is described as the act of selling shares etc. to a group of investors directly without offering them openly on a financial market.¹² It is not a legal term; it is a popular term, but it is used to denote what is differently stated in the two clauses (a) and (b) of section 67. In a loose sense, this phrase denotes the practice of offering shares privately. In other words, broadly speaking, an issue of shares without offering them to the public may be said to be an issue made by private placement, the main feature being that no prospectus is issued for offering the shares to the public or inviting the public for subscribing to the shares so offered. This mode of issuing shares is not prohibited under the 1956 Act, even in the case of public companies provided, of course, it does not contain the elements of public offer or public invitation to subscribe to the shares issued. In fact, there is no compulsion for offering shares to the public by prospectus when a company intends to raise share capital.

While recommending the insertion of a provision corresponding to section 55 of the English Act, 1948 (which was subsequently enacted as section 67), the Company Law Committee (1952) observed as follows:

"One of the methods by which savings are attracted from the public is through "placings" by a broker's or issuing office or investing syndicates. While it will be hard to provide statutorily that every placing must be deemed to be an offer for sale, such placings as are to all intents and purposes "offers to the public" should be brought indisputably within the provisions of the Act ... The object of this section is to cover such placings".¹³

This concept is wholly dear to the issue of shares by a private company or a deemed public company which is, by virtue of the provisions of section 3(1)(iii)(c) of the 1956 Act, prohibited from making any invitation to the public to subscribe for any shares in, or debentures of, the company; but the said concept is not wholly alien to a public company which is not so prohibited.

In a public or a private company offering shares to any person

¹¹ *Oxford Dictionary of Accounting; Penguin Dictionary of Accounting.*

¹² *Longman Business English Dictionary.*

¹³ *Company Law Committee's Report (1952), pages 298, 299.*



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who is not an existing shareholder cannot amount to public offer. In the *Rattan Singh* case, it was argued that an offer of shares to any person other than the existing members of the company is tantamount to an invitation to the public to subscribe for shares, where the directors of a private company had offered new shares to persons other than the shareholders who had declined the offer. Rejecting that argument having regard to the provision in section 67(3), the court held that such an offer cannot be said to be an offer made to the public.¹⁴ The court referred to the provision in clause (a) of subsection (3), according to which an offer not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation is not a public offer, and said:

"The word 'calculated' suggests design, forethought, or intention to accomplish a purpose. 'Calculated' primarily means to compute mathematically, but when applied to a human action it is used in the sense of, to intend, to design, to plan, or to adapt, to achieve a purpose. ... offer to one's kith and kin cannot be considered to be an invitation to public. An offer to buy shares made to an individual as such is not within the prohibition of the word 'public' as used in section 67 of the Act. Where a company offers shares to selective persons, it cannot be said to be extending an invitation to by shares to the 'public'. In all cases the determination of the question of an offer being made to the public, depends upon the facts and language of the notice on the particular circumstances of each case. If the attitude as has been adopted by the petitioners in this case, can be deemed to be permissive in law, then it will be virtually impossible for a company to increase its capital where the existing shareholders are

unwilling to purchase shares, or debentures of the company, even if the total number of its members is much below 50."

Commenting on public offer *vis-à-vis* private placement, Palmer says: "Whether the procedure of placings requires a prospectus in the legal sense cannot be answered generally. The definition of an offer of shares or debentures to the public in section 55(1) of the 1948 Act is sufficiently wide to include this procedure: the sub-section refers expressly to 'any section of the public, whether selected ... as clients of the person issuing the prospectus or in any other manner'. The answer depends on the facts surrounding the placings; if the placings are to a small closely restricted circle of select investors, they will fall within section 55(2) and no prospectus is required, but if the placings are to a wide clientele of the allottees who by way of a circular letter or a similar general communication draw the attention of their clients to the availability of the shares or debentures as an investment, this is no longer the 'domestic concern of the persons making and receiving' the invitation [Section 55(2)], and the placings would have to satisfy the requirements of a prospectus".¹⁵

Consequently, where an issuing house places the whole or part of a new issue privately with a few institutional investors, e.g. pension funds, which have agreed to hold the securities as long-term investments, the issue would not appear to be made to the public. "These provisions make it clear that the issue is not to the public if - (a) it is directed to specified persons; and (b) it is not 'calculated to result' in the shares or debentures becoming to other persons; or, as the sub-section phrases it happily, if the issue is 'the domestic concern' of the persons making and receiving the offer or invitation".¹⁶

An offer by a promoter to a few of his friends, relations, and customers was held not to be an offer to the public.¹⁷ An offer upon the reconstruction of a company, of shares in the new company to the members of the old company in respect of their shares in that company was held not to be an offer to the public.¹⁸

In *Government Stock and Other Securities Investment Co Ltd v. Christopher*¹⁹ Wynn Parry J accepted the proposition that "the test is not who receives the circular, but who can accept the offer put forward". He said

"I am further of opinion that the circular was not distributed to the public. I accept the proposition put forward by counsel for the defendants, namely, that the test is not who receives the circular, but who can accept the offer put forward. In this case it can only be persons legally or equitably interested as shareholders in the

¹⁴ *Rattan Singh v. Managing Director, Moga Transport Co Ltd* [1959] 29 Comp Cas 165 (Punj); AIR 1959 Punj 196.

¹⁵ Palmer's Company Law, 23rd edition, para 21-04.

¹⁶ Palmer's Company Law, 23rd edition, para 21-17.

¹⁷ *Sliegh v. Glasgow and Transvaal Options* (1904) 6 F 420

¹⁸ *Booth v. New Africander Co* (1903) 1 Ch 295

¹⁹ [1956] 1 All ER 490; [1956] 26 Comp Cas 210.



shares of Union-Castle or Clan. In the case of those who accept non-renounceable letters of allotment will be issued. In these circumstances the case appears to me to fall within Section 55(2) of the Companies Act, 1948²⁰."

An invitation restricted to the employees of the company numbering 22,500 was held not be an invitation to the public.²¹ When a special resolution is passed under section 81(1A), the further shares can be offered either as an offer to public or in any other manner as may be indicated. When the manner of such offer of shares is restricted to a select group (as distinguished from the general public), however large they may be, it ceases to be an offer to public. The offer containing such an offer cannot be deemed to be a prospectus.²²

If a prospectus addressed to the general public, or to a section of the public, is published, that no doubt constitutes an offer to the public, even though none of the public come in; but possibly if this offer is made without any intention to let the public take up any of the shares (e.g., as where the shares were already taken firm), it might be found as a fact that there was no real offer to the public."²³

The provisions of section 67(3) are interpreted strictly and therefore, if the company sends the offer to Mr. X and the offer is accepted by Mrs. X to whom the allotment is finally made, it could deem to be a public offer necessitating compliance of requirements of the prospectus. This exercise is, therefore, to be undertaken with great caution. In practice, therefore, till recently the companies hardly took any recourse to this mode of private placement of their securities.

In July 1992 the then Department of Company Affairs, had 'warned' companies and their promoters/directors of violation of section 67(3) by issuing shares in the guise of 'private placement'. It stated in a circular: "It has come to the notice of the Government that some companies utilise the services of brokers and other intermediaries for private placement of equity shares, out of promoters' quota or otherwise, insert advertisements in the print media and also mass-mail literature/material/brochures superscribed by the caption "Confidential/For private circulation only". It is also noticed that the rights of renunciation are floated in the market by the companies themselves, charging unofficial premia from the investing public."

It warned that in view of the provisions of section 67(3) such offers cannot be treated as private placement and provisions relating to prospectus under the 1956 Act were applicable and making so-

called private placement of shares would invite penal action under the Act.²⁴

Does "private & confidential" string help?

The OFCDs issue in Sahara was attempted to be saved from the attack that it was a public offer, by attaching a string of "private and confidential and not for circulation" in the IM, obviously trying to bring it within the ambit of clause (a) or (b) of section 67(3). With this end in view, the IM said:

"This issue is purely on the private placement basis and the company does not intend to get these OFCDs listed on any of the Stock Exchanges in India or Abroad. This Memorandum for Private Placement is neither a Prospectus nor a Statement in Lieu of prospectus. It does not constitute an offer for an invitation to subscribe to OFCDs issued by Sahara India Real Estate Corporation Limited."

That, however, could not save the offer from being treated as a public offer, for, as the Supreme Court pointed out, the intentions and actions did not match and it could not shake off the shackles of section 67(1).

On this point, an old English decision, which was not referred to in Sahara case, is worth taking note of.²⁵ In February 1910, a prospectus was issued on behalf of a company headed "for private circulation only", but also containing a statement that it had been filed with the Registrar of Joint Stock Companies. It was stated that this prospectus was distributed by the promoter only to shareholders in certain gas companies in which he was interested, and not more than 3000 copies were sent out. The court held that the prospectus did offer shares to the public within the meaning of section 285 of the Companies (Consolidation) Act, 1908, by which 'prospectus' was defined as any prospectus, notice, circular, advertisement, or other invitation offering to the public for subscription or purchase any shares or debentures of a company, and none the less because copies were sent only to shareholders in gas companies who were the most likely subscribers.

The act of filing of the prospectus was later stated to be a mistake. Notably, in Sahara too the IM was filed with the Registrar of Companies, purportedly (but wrongly) under section 60B of the Companies Act, 1956.

On the contrary, where the company had printed a prospectus with a remark "strictly private and confidential: not for publication", and the directors of the company sent copies of it to their friends, it was held that it was not an offer to the public.²⁶

²⁰ Corresponding to Section 67(3) of the Companies Act, 1956.

²¹ *Corporate Affairs Commission v. David Jones Finance Ltd* (1975) 2 NSWL 710.

²² Clarification issued by the Department of Company Affairs.

²³ *Palmer's Company Precedents*, Part I (1956), p 59.

²⁴ Circular No. 7/92 (F.No. 17/6/92-CL.V), dated 6 July, 1992.

²⁵ *South of England Natural Gas and Petroleum Co Ltd* (1911) 1 Ch 573.

²⁶ *Sherwell v. Combined Incandescent Mantles* (1907) 23 TLR 482



Articles

Supreme Court's decision in *Sahara India Real Estate Corporation Ltd v. SEBI* The lesson to learn from

Is compliance with section 60B necessary when there is no public offer?

Since the two companies issuing OFCDs had filed and issued an IM, one of the questions before the Supreme Court was whether section 60B is applicable to an offer of securities by an unlisted public company. The answer is, yes but only when a listed co. makes a public offer or an unlisted co. proposes to make a public offer. The Supreme Court held that Section 60B enables a public company making an issue of securities to circulate Information Memorandum (IM) to the public before filing the prospectus. Section 60B(9) deals with two categories of companies: (A) listed public company; (B) other unlisted public company which intends to offer securities to the public and get listed. Section 60B(1) casts no obligation to issue an IM unless the company wants to get listed.

Section 60B(1) casts no obligation to issue an IM. It is open to a public company making an issue of securities to circulate the IM to public before filing a prospectus for assessing the demand and price which public would be willing to offer.

But at the same time the offer must be a private placement offer in true sense and not a public offer under the guise of private placement offer or a surreptitious public offer.

Back to Sahara: the lesson

In Sahara Supreme Court held that section 67(3) specifically mentions that when any security is offered to and subscribed by more than 49 persons it will be deemed to be a public offer and therefore SEBI will have jurisdiction in the matter and the issuer will have to comply with the various provisions of the legal framework for a public offer. Although the two companies contended that the offer was not governed by the first proviso to section 67(3) (because they complied with section 60B and the IM specifically stated that the OFCDs were offered only to those related to the Sahara Group and there was no public offer), that was not correct. As the companies elicited offers from the public investors for subscribing to the OFCDs through the IM under section 60B of the 1956 Act, which is only meant for public offers, the offer did not remain a private placement offer. Since the two companies not only circulated the IM to over three crore persons, they also used the services of "introducers" to invite people to subscribe to the OFCDs, the offer was not meant for persons related or associated with the Sahara Group because in that case an introducer would not be required.

In any case, since more than 49 persons were offered the OFCDs (or more than 49 persons were invited to subscribe), the actions of the two companies clearly showed that they had offered securities to the public in the garb of a private placement, thereby bypassing the various provisions of the 1956 Act and SEBI Regulations as applicable to public offers. The two companies

had offered securities to more than the threshold statutory limit fixed under the first proviso to section 67(3) and hence it violated the listing provisions attracting civil and criminal liability.

The offer of OFCDs through circulation of IM to the public attracted the provisions of section 60B of the Companies Act, which required filing of prospectus under section 60B(9) and since the companies did not come out with a final prospectus on the closing of the offer and failed to register it with SEBI, there was violation of section 60B of the 1956 Act also.

Will Sahara judgment help set at rest all controversies on section 67?

While the Sahara judgment is likely to clear most of the doubts and misgivings about the effect of the first proviso to section 67(3), there is still a need for more clarity about it inasmuch as there has been a great deal of confusion due to a variety of views taken by the both SEBI and MCA about its correct interpretation and many Registrars of Companies hold a view not warranted by the proviso. For example, some Registrars are of the drastic and draconian view that in no case an unlisted public company can make allotment to 50 or more persons thereby indicating that in its whole life an unlisted public company cannot offer shares to more than 49 persons without making a public offer and some Registrars hold the view that in a rights offer if a company allots shares to the renounees and the number exceeds 49, the proviso is violated. This latter view is also said to be held by SEBI officers. This state of affairs is agonizing and only shows that we cannot make a clear and unambiguous law. Instead of limiting the offer to 50 so as to bring an offer within the ambit of 'public offer' what really needs to be done is to mandate rigorous disclosure requirement by prescribing a form which must be provided by the company to the investors.

The jurisdiction conflict

There has also been jurisdiction conflict and both SEBI and MCA have been struggling to reconcile it in spite of section 55A laying down jurisdiction of both the authorities. In Sahara the Supreme Court clarified that when an offer is made by an unlisted company to more than 49 people without complying with the requirement regarding public offer, SEBI assumes jurisdiction. But the offer as to who has jurisdiction in the case of an unlisted company making a rights offer with the right of renunciation resulting into allotment to more than 49 people is still a nebulous issue.

In *Kunnamkulam Paper Mills Ltd v. SEBI* [2012] 174 Comp Cas 149 (Kar) an unlisted public company, declared a rights offer of shares to its shareholders with an option to the shareholders to renounce the shares in favour of any other person and allotted equity shares to 163 persons. The Registrar of Companies issued a show-cause notice to the company on the ground that in terms of section 67, shares could not be privately placed to more than 50 persons without issuing a prospectus for such issue or without complying with the guidelines issued in that respect. The company filed an application for compounding the offence before



the Company Law Board and later withdrew the application. Thereafter the SEBI issued a notice to the company asking it to show cause why action should not be initiated under sections 11 and 11B of the Securities and Exchange Board of India Act, 1992. An order was passed holding that the rights issue was an offer made to 50 or more persons and amounted to a public offer and it was to be regarded as a public issue made by the company in violation of the guidelines. The order was challenged by the company and its director, *inter alia*, on the ground that the Board had no jurisdiction to pass the order. The Karnataka High Court set aside the SEBI's order on the ground of jurisdiction in the light of the provisions of section 55A of the 1956 Act, but did not dwell upon the question whether the first proviso to section 67(3) was violated by the company.

Does the right of renunciation in a rights offer constitute the rights offer a public offer?

There is no consensus among writers and experts, and there does not appear to be a reported decision of a court, on this question though in terms of Section 81 the right of renunciation does not take away the issue from domain of 'rights offer'; despite the right of renunciation the rights offer nonetheless remains a rights offer. In 1957, the Company Affairs Department had issued this clarification: "The issue of further shares by a company to its members with the right to renounce them in favour of third parties does not require the issue or registration of a prospectus."²⁷

Section 56 of the Companies Act, 1956 excludes the issue to the existing members or debenture holders of a company of a prospectus or form of application relating to shares in or debentures of the company, whether an applicant for shares or debentures will or will not have the right to renounce in favour of the persons. [see section 56(5)(a)].

However, section 67 provides a cue as to what is, and what is not, a 'public offer' of shares or debentures and its sub-section(3) indicates that where the rights shares are offered only to the members of the company but the offer carries the right to renounce the shares by the member receiving the offer to any other person, that would be offer as being calculated to result in the shares or debentures so offered becoming available to the persons other than those receiving the offer, thereby bringing the case of rights offer carrying the right of renunciation within the ambit of 'public offer'. This is the view expressed by Palmer in the context of the provisions of the English Companies Act which are *pari materia* with the Indian Act; see section 38 and 55 (Palmer's Company Law, 23rd edn, pp. 225 to 227).

In the context of the right to renounce the rights shares as contemplated in section 81(1)(c), the Supreme Court has held in *Needle Industries (India) Ltd v. Needle Industries Newey (India)*

Holding Ltd (1981) 51 Comp Cas 743 (SC), that the right to renounce the shares by the members of a public company which has become such under section 43A²⁸ would result directly in the infringement of the article relating to the matter specified in section 3(1)(iii)(b) of the Act, (i.e. the limit on the number of members of a private company), because under section 81(1)(c), the offeree is entitled to split the offer and renounce the shares in favour of as many persons as he chooses, depending partly on the number of shares offered by the company to him. "The right to renounce the shares in favour of any other person is also bound to result in the infringement of the article relating to the matter specified in section 3(1)(iii)(c) (i.e. prohibition against an invitation to the public to subscribe for any shares or debentures) because an offer which gives to the offeree the right to renounce the shares in favour of the non-member is, in truth and substance, an invitation to the public to subscribe for the shares in the company", said the Supreme Court.

Despite the difference of opinions, the fact remains that a rights offer with the right of renunciation is not treated, either by the issuer companies or by the regulatory authorities (including MCA and SEBI), as either a public offer or a private placement offer.

Does allotment of unsubscribed shares in rights offer constitute 'private placement offer'?

As in the case of a rights offer with the right of renunciation, so in the case of a rights offer with the right given to the Board in accordance with the provision in section 81(1)(d) (to dispose of unsubscribed shares in such manner as they think most beneficial to the company) also cannot constitute either a public offer or a private placement offer, even if the allottees of such shares happen to be 'outsiders' or 'strangers', not being existing shareholders of the company.

Section 81 permits offering of further shares to persons other than existing members of the company. This is, however, permissible subject to compliance with the conditions laid down in section 81(1A). However, even section 81(1A) does not deprive a rights offer from its status as such despite the right given to the board of directors to dispose of unsubscribed shares in such manner as they think most beneficial to the company also cannot constitute either a public offer or a private placement offer, even if the allottees of such shares happen to be 'outsiders' or 'strangers'.

In *Kunnamkulam Paper case* (cited above) this very question had arisen; however, the Karnataka High Court set aside the SEBI's order on the ground of jurisdiction in the light of the provisions of section 55A of the Companies Act, 1956, but did not dwell upon the question whether the first proviso to section 67(3) was violated by the company.

²⁸ This section was omitted from the Act by the Companies (Amendment) Act, 2000.

²⁷ Letter No. 8/81/56-PR, dated 4 November 57



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Attitudinal shift in Corporate Functioning *vis-à-vis* Concern for Society

This article attempts to trace a few changes which have been witnessed in the recent history, necessitating a paradigm shift in the very approach of running a company and looks at the changing approaches and the *raison d'être* of businesses over the last few centuries.

We are currently going through a quiet revolution in many fields and one such is in the area of attitudinal shift in the functioning of corporates. Since Company Secretaries are the acknowledged key managerial personnel of corporates, it is imperative for them to be fully abreast of the shift that is taking place gradually, but certainly in these areas.

It is a vast subject which can be analysed from different dimensions. The shift is taking place in leadership, managerial and governance matters, to name only a few and attitudinal shift is also taking place as a fall-out in the corporate functioning globally. If the shift is not understood, there is a good chance that the corporates can be swept away in today's highly competitive world.

The business community, having concern for society, was not entirely absent in the period prior to the 20th century, but it certainly was a rarity. We have come a long way since then, with the organizational functioning having even institutionalized the initiatives towards society today. Corporate Social Responsibility (CSR) initiatives are now getting integrated with strategic management and corporate governance. Companies moreover are developing management and organizational mechanisms for its socially conscious policies and practices. The companies are also addressing a much larger number of stakeholders than in the past. The change in approach of business in showing concern for society was seen most in USA initially; thereafter, it spread to Europe and much later, to the developing nations of Asia.

One perennial question that remains unanswered is as to what responsibilities to society should businessmen be reasonably expected to assume?

Social Responsibility may be no panacea for all business social problems, but it is something that must guide business in the

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future. Philanthropy as manifestation of CSR has been *ad hoc*, subject to executive whims and primarily in response to requests by beneficiary organizations.

In this backdrop, let us look at some of the changing phases in the focus of business organizations:

CHANGING PHASES IN THE FOCUS OF BUSINESS ORGANISATIONS

1. Profit-Maximizing Phase / Wealth Creation Phase

During the period of Industrial Revolution and for a long period thereafter, the only focus for all businesses was making money and nothing else. If at all, some of the businesses took care of employees, it was not with any altruistic motives. It was purely for selfish reasons. It was done only to extract greater productivity so that the businesses in turn could make more money. Business reasons, rather than social reasons made the organizations looking concerned for the workers' welfare. People could discern that it was business acumen and not humanitarianism that contributed to the workers getting paid better and getting better working conditions. All these led to numerous social problems, including labour unrest, poverty, slums, child and female labour etc. Welfare measures were introduced with the sole object of preventing labour problems. If there were true philanthropic activities, those were often individual philanthropy. Businessmen were believed to be indulging in unscrupulous activities and were believed to be of questionable character.

Even the courts of law used to hold that the company could not get into big charity and that the company's money could be spent only for the purposes of carrying on the business. While individual philanthropy was not discouraged, corporate philanthropy was certainly questioned by the courts and the shareholders.

But one did come across from time to time some good examples of enlightened business policy. Pullman Palace Car Company created a model industrial community with parks, playgrounds, church, theatre etc. way back in 1893. YMCAs (Young Men's Christian Associations), started in the 19th century in London and which spread to USA, were basically to provide community-related welfare and social programmes.

Such enlightened programmes were more of an exception than a rule. Corporates became huge and even begun to dominate the economy and many of these were as powerful as the governments. Business leaders enjoyed such limitless power that they had no qualms about cheating even its own shareholders. This kind of corporate irresponsibility was the cause for the collapse of the economic system, leading to the Great Depression of 1930s.

Thus businesses in this phase were only focused on maximizing



profit for themselves. Wealth creation was an unintended fall-out.

2. Trusteeship Management Phase

Due to the changes occurring both in business and society, trusteeship management phase emerged. Under this phase, corporates took in the responsibility for both maximizing stockholder wealth and creating and maintaining an equitable balance among competing claims, such as claims from customers, employees and the community. Managers were viewed as Trustees for various groups in relationship with business. This happened mainly because of the scattered diffusion of stock ownership and the gradually emerging pluralistic society.

3. Philanthropic Phase

Philanthropy assumed a central role in the development of CSR. From the era when corporate contributions were perceived by many in a negative light, being seen as frittering away shareholders' wealth, the corporates began to be seen as institutions, like the government that had social obligations to fulfill. The social consciousness amongst businessmen became really quite common and was becoming a growing phenomenon amongst business leaders.

In this phase, many companies donated to charities more than anything else.

4. Awareness Phase

During this phase, many corporates became more aware and conscious of the overall responsibility of business and its involvement in community affairs.

5. Issue Phase

Corporates during this phase focused on specific issues such as racial / gender discrimination, pollution problems, urban decay etc.

6. Responsiveness Phase

Corporates during this phase started taking management and organizational actions to address CSR issues. Such actions



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included altering boards of directors, examining corporate ethics, curtailing managerial compensations, etc.

7. Talking Phase

Businessmen started getting comfortable with talking on CSR. These were rarely followed by action. There were very few corporate actions, beyond philanthropy to report. Action could only come from appropriate changes in the board of directors, greater representation of the social view-point in management, use of social audit, social education of business managers, development of business codes of conduct, etc.

8. Action Phase, with Inputs from Scholars

More and more scholars got into the subject of CSR. Keith Davis, a prominent writer defined CSR as "businessman's decision and actions taken for reasons at least partially beyond the firm's direct economic or technical interest." While it was a nebulous idea, it was to be seen in a managerial context.

Clarence C Walton, an important thinker on this subject said "the concept of social responsibility recognizes the intimacy of the relationship between the corporation and society and realizes that such relationships must be kept in mind by top managers as the corporation and the related groups pursue their respective goals." Essential ingredients of CSR include a degree of voluntarism as opposed to coercion, an indirect linkage of certain other voluntary organizations to the Corporation and the acceptance that costs are involved for which it may not be possible to gauge any direct measurable economic returns.

9. Acceleration Phase

During this phase, which can be considered as the current phase, businessmen are significantly pre-occupied with corporate philanthropy and community relations. Under this phase, the managerial staff balances a multiplicity of interests.

Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account interests of employees, suppliers, dealers, local communities and the nation. Multiplicity of interests is none other than stakeholders' interests. It is to be noted that while the enlightened companies have progressed towards higher phases, some of the not so progressive companies are still languishing in the initial phases of evolution. Having seen some of the phases in the attitude of business towards society in general and not necessarily in the same order, let us look at some of the insights provided by experts on this subject:

EXPECTATIONS FROM SOCIETY

Businesses are being asked to assume broader responsibilities towards society than ever before and to serve a wide range of human values. Businesses are expected to contribute to not only

quantity, but also quality of life. In as much as business exists to serve society, its future will depend on the quality of management's response to the changing expectations of the public.

George Steiner, an expert on the subject, stated that "business is and must remain fundamentally an economic institution, but it does have responsibilities to help society achieve its basic goals and does therefore have social responsibilities. The larger a company becomes, the greater are these responsibilities."

Nobel Laureate, Milton Friedman, whose famous opinion was earlier path-breaking, stated that businesses should focus only on making as much money for their stockholders as possible. Davis has countered this view by saying that "a large corporation these days not only may engage in social responsibility, it had damn well better try to do so." Corporates are certainly expected to go beyond the narrow economic, technical and legal requirements of the firm.

Social Responsibility is a brilliant term; it means something, but not always the same thing, to everybody. CSR is a sort of fiduciary duty imposing higher standards of behaviour for businessmen than for citizens at large.

Archie B Carroll has suggested that "the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time."

Recommendations for Businesses

Some points which have emerged from the ideas of experts are given below:

- Economic viability is something business does for society as well, in perpetuating the business system. It is thus recommended that companies forecast and plan for CSR, organize for CSR, assess social performance and institutionalize corporate social policy and strategy.
- CSR is the notion that corporations have an obligation to constitute groups in society, other than stockholders and beyond that prescribed by law and union contract.
- CSR is also sometimes patterned after Maslow's Need Hierarchy. Organizations have physiological, safety, affiliative, esteem and self-actualization needs that parallel those of humans as depicted by Maslow.
- The hub of the corporate social policy process is the institutionalization within business organizations of following three elements - business ethics, CSR and corporate social responsiveness.
- The direct relationship between corporate social performance and financial performance has been the subject matter of extensive research. The results have not been conclusive. However, it is generally believed that each one helps the other.
- Having Managers of Corporate Giving, CSR and public/



community affairs have now become common place. In terms of management philosophy or policy, strategic giving, cause-related marketing, international donations, employee volunteerism, sustainability and global corporate citizenships have emerged to characterize many CSR initiatives.

- CSR today includes topics such as business ethics, community investment, environment, governance and accountability, human rights, market place and workplace.
- Many companies today have developed excellent reputations for CSR practices. At the same time, there are skeptics who question the sincerity or nature of some of their practices.
- From a business point of view, the interest in CSR Best Practices has moved centre-stage. There is also a strong call on the part of the business community for the business case for CSR.
- Philip Kotler and Nancy Lee have presented 25 best practices that may well assist companies with their CSR programs.
- CSR movement today is a global phenomenon, though there are important intra-regional variations in practice. Social initiatives are voluntary, while some are coming under legal and regulatory pressure to adopt them.
- We can see growth in CSR staff in companies, embedding of CSR in corporate systems via standards and codes, increased social reporting and growing partnerships between companies, NGOs or governmental organizations.

STRATEGIC/SUSTAINABLE CSR

CSR was virtually unknown until recently. But it is, today, one of the most important topics for discussion for business people, politicians, trade unionists, consumers, NGOs and researchers. CSR is today a major secular development, driven by a long-term re-evaluation of the role of corporations in society.

CSR is successful only to the extent that it adds to the bottom-line. CSR can be sustainable only so long as it continues to add value to corporate success. CSR has an upbeat future in the global business arena. The 'business case' for CSR will always be the crux for success in CSR.

Business undoubtedly has a responsibility for wealth creation, but also has responsibilities for social problems created by business or by other causes, beyond its economic and legal responsibilities. Corporate activities should be such as to cause less harm and more beneficial outcomes for society and people. When society gives licence to business to operate, it is only fitting that business serves society too, apart from creating wealth.

There are two types of social responsibilities for business; socio-economic responsibility for general economic welfare and socio-human responsibility for preserving and developing human values. Both have equal importance.

Further, the schools of thought, i.e. 'businesses have no responsibility' or 'businesses have total responsibility towards

Businesses are being asked to assume broader responsibilities towards society than ever before and to serve a wide range of human values. Businesses are expected to contribute to not only quantity, but also quality of life. In as much as business exists to serve society, its future will depend on the quality of management's response to the changing expectations of the public.

society' are two extreme ones and need to be rejected. The truth lies somewhere between the two.

CSR is no longer considered a threat for shareholder value creation. Peter Drucker stressed that profitability and responsibility were compatible and the challenge was in converting business social responsibilities into business opportunities. CSR can be a question of enlightened self-interest and one can have strategies to simultaneously serve the poor and make profits.

While all practices of CSR cannot be profitable, the concept of Strategic Corporate Social Responsibility can be adopted through policies, programmes and processes, which yield substantial business related benefits to the firm. If one does that, CSR becomes compatible with the theory of Milton Friedman.

It can thus be seen that we are moving away from Shareholder Value / Economic Responsibility theory to the stakeholder theory based on ethical perspectives. We have also further moved towards 'Corporate Citizenship' involving corporates in philanthropic activities and donations to the community. This stems from the fact that business is a part of the society. Corporate citizenship is basically business participation in society.

Conclusion

It goes without saying that the phases/theories mentioned above are not water-tight compartments. There can be overlaps. What needs to be noted is that all these have resulted in attitudinal shift, which are significant in nature and Company Secretaries need to understand these thoroughly and guide the top management as to what approach would be an ideal one to take, depending on the stage at which the company is in at that point of time. ■

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Articles

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Political Economy of Neo-Governments⁺

Neo-governments are the result of extended delegation - from the people to the legislature to the executive to the neo governments. Given the complex issues relating to neo-governments as new mechanisms of governance, their design and location have to be an integral part of a larger vision and unifying goal of public interest.

INTRODUCTION

Neo-governments (SEBI and SEBI-like institutions) are a class of body corporates mostly created by the statutes. They provide public goods in public interest just as the government does. They have responsibilities - consumer protection, development and regulation - similar to those discharged by the government. They have powers - legislative, executive and judicial - similar to those of the government. They resemble government in many respects, yet they are not the 'government'. They are, in a sense, governments within the government, imperium in imperio, and carry out governance on behalf of the

government in a pre-defined framework. They are epistemically known as 'regulators' as their responsibilities include regulation, though they are formally described as authority, commission, board, council, etc.

It is a misnomer that neo-governments are standalone regulators; they have responsibilities that go beyond regulation. For example, SEBI has the mandate to protect the

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⁺ This is an edited version of the Institute of Chartered Financial Analysts of India (ICFAI) Silver Jubilee Lecture delivered at New Delhi on March 14, 2011.





The *raison d'être* of neo-governments is to hit the moving targets. This is possible only if the law evolves continuously in tandem with the environment to meet the emerging deficiencies, accommodate new products and market designs, deal with innovative transactions by the market participants and improve the safety and efficiency of operations in the market by overcoming the legislative lags.

interests of investors in securities and to promote the development of the securities market, in addition to regulating the same. However, it is mostly termed as the regulator of the securities market because it is predominantly responsible, though not exclusively, for its regulation. Many others, such as stock exchanges, depositories, SROs, and even market intermediaries, which are not called regulators as such, also undertake some kind of regulation of the securities market. Further, while SEBI undertakes extra-regulatory activities, such as investor protection and market development, these are not its exclusive domain. The government, NGOs, the market participants, and even the general public also often undertake activities in these areas.

The traditional statecraft has limitations in certain circumstances. Take the example of modern securities market which evolves continuously. To address effectively the issues of the dynamic nature in such a market, the government has set up a neo-government, namely, SEBI, and equipped it with the necessary powers, expertise and processes, and resources commensurate with the requirements of the task. Being encouraged by the success of this approach, the government has been creating and nurturing neo-governments and sharing governance in various areas with them. The rise of neo-governments to share governance with the government is now a hard reality and the governance through neo-governments constitutes the most important governance reforms in the last few decades.

Neo-governments in the areas of securities market (Securities and Exchange Board of India), insurance (Insurance Regulatory and Development Authority), education (All India Council for Technical Education), electricity (Central Electricity Regulatory Commission), telecom (Telecom Regulatory Authority of India), competition (Competition Commission of India), petroleum and gas (Petroleum & Natural Gas Regulatory Board), airport (Airport Economic Regulatory Authority of India), warehousing (Warehousing Development and Regulatory Authority) etc. are now well established. Such institutions in the areas of pension, commodity derivatives, railways, shipping, civil aviation, mines, automobiles, etc. are at different stages of formation. They are mushrooming in the eagerness of the respective administrative ministries to set up their 'own' neo-governments in response to the particular circumstances of the moment. The list is a long one and growing, yet they differ structurally and functionally from one

another. This paper cites, for illustration, mostly examples from SEBI, which is one of the most prominent and evolved neo-governments in India.

There are significant advantages of governance through neo-governments. Neo-governments generally do not share the 'social' obligations of the government; nor are they subject to the pressures of 'interest' groups. They build expertise matching the complexities of the task and evolve processes to enforce authority rapidly and proactively. They provide the same level playing field to both government and non-government participants. However, there are also significant concerns. They suffer from democratic deficit as they are not directly accountable to people or their representatives. Government continues to remain accountable for the governance carried out through them, which poses a classic example of the principal-agent problem. In case of exigencies, government is called upon to explain and carry out the rescue operations. The integration of legislative, executive and judicial powers with the same body, which runs counter to the doctrine of separation of powers, raises public law concerns.

Governance through neo-governments is still evolving. Every administrative ministry is experimenting with issues such as composition of neo-government, relation between the government and the neo-government, the finances of neo-government, scrutiny of quasi-legislative and quasi-judicial activities, etc. There is a need for a comprehensive review of the experience so far of this mode of governance and use the learning to improve the spacing and design of the neo-governments within the constitutional schema to make them more effective and address the felt concerns. Based on the review, critical overarching principles may be written into a charter to guide the establishment as well as operations of the neo-governments irrespective of the sphere of governance. This charter would be something similar to the Companies Act, 1956, which provides for all aspects of the company, from its incorporation till its liquidation, its operations, management and governance, etc. irrespective of the kind of business it is in.

The charter would contain the thumb rules. It should ordinarily provide for: (a) a conducive legal framework to enable the neo-government to enforce authority promptly and proactively, (b) appropriate level of independence in terms of resources and



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powers to enable the neo-government to build the capability and processes commensurate with the task, (c) institutional mechanism to ensure accountability of the neo-government to avoid its possible failure, (d) internal architecture of the neo-governments to avoid intra-institutional bargains, (e) effective partnership among the government and the neo-governments to work in unison for a common purpose, and (f) spacing of a neo-government *vis-à-vis* government and other neo-governments to avoid gaps and overlaps in coverage and shifting of responsibilities in times of crises. While this paper deals with all of these, it is not a substitute for either a formal review to be undertaken or a formal charter to be put in place by the government.

a. Conducive Legal Framework

There are broadly two forms of law, namely, 'almost complete' and 'almost incomplete'. The former endeavours to enact the law with perfection, which can deal with all the possible circumstances for a long time. An example of such form is the Indian Penal Code enacted way back in 1860. Take the definition of 'theft' given therein, which has not been amended yet. Any activity satisfying the ingredients specified in the said definition is construed as theft. Once the legislature lays down the definition of 'theft' and prescribes the penalty for it, it is for the executive to administer the law. In case of any violation, the executive or the affected party brings it before the judiciary which penalizes the accused, if it is satisfied that it was a case of theft and there is sufficient evidence to the effect that the accused has committed it beyond all reasonable doubts. If any deficiency is noticed while administering or enforcing the law, the legislature amends it, though normally with a time lag. In this form of law, there is almost complete separation of powers among the governmental agencies - the legislature frames the laws; the executive administers and the judiciary enforces them. Till about a century back when the environment was some what dynamic, the governments used this form of law for governance.

Of late, the environment has become very dynamic. The change that used to take centuries earlier is coming about in months, or at best in years. Former Chairman of SEBI, Mr. C. B. Bhavare reportedly likened governance challenge in this environment *to a flight that has developed snag at 30,000 feet and it is too late to land and too dangerous to continue flying. The options are limited, "Fly, we must. Repair, we must."* The governance response to this has been establishment of neo-governments empowered by 'almost incomplete' form of law. This form believes that it is not possible to visualize all the possible circumstances and provide for the same in the legislation. Here, the legislations tend to be skeletal, but have the potential to deal with all the possible circumstances, including unforeseen emergencies. The separation of powers is

blurred - the same entity is vested with the quasi-legislative, executive and quasi-judicial functions so that it can enforce the laws proactively and preferably before any harm has been done.

An example is the Securities and Exchange Board of India Act, 1992. It empowers SEBI to register and regulate not only the intermediaries listed in the Act, but also such other intermediaries who may be associated with the securities market in any manner. This allows SEBI to regulate the intermediaries who are not listed in the Act, should the need arise in future and also the new intermediaries that may emerge in future, without an amendment to the law. At the time of enactment, the legislature could not possibly visualize all intermediaries who all would need to be regulated in future. Similarly, the Act mandates SEBI to take such measures as it considers fit to protect the interests of investors with an illustrative list, as at the time of enactment, it could not visualize all possible measures that might prospectively become necessary. This enables SEBI to undertake innovative measures to respond appropriately to the circumstances at hand. For example, SEBI recently secured disgorgement of illegal gains from the fraudsters and disbursed the same among the victims. It debarred certain individuals from becoming directors of listed companies. These measures are not explicitly mentioned in the illustrative list.

The Act also confers on SEBI substantial powers of delegated legislation (quasi-legislative) to make subordinate legislation (regulations) to fill the gaps in laws and to deal with the matters of detail, which rapidly change with time. While the SEBI Act is about ten pages, SEBI has framed regulations running into thousands of pages. This enables it to strike the moving targets at the right time and at the same time, keep the laws relevant. The Act further confers on SEBI the enforcement, including quasi-judicial, powers to enforce the laws made by the legislature and also by itself. In particular, it can by regulations cast obligations on participants and dispense civil penalties for failure to discharge the said obligations. As a consequence, if SEBI considers a particular conduct undesirable, it can within no time outlaw the same through regulations and enforce such regulations. It does not have to wait for the legislature to outlaw any conduct or create an offence through legislations. Nor does it need to seek judicial concurrence for levying a variety of penalties (except prosecution) on the accused. This form of law is eminently suitable for markets which evolve very fast and the authority needs to respond faster with preventive and remedial measures.

As stated earlier, the *raison d'être* of neo-governments is to hit the moving targets. This is possible only if the law evolves continuously in tandem with the environment to meet the emerging deficiencies, accommodate new products and market designs, deal with innovative transactions by the market



participants and improve the safety and efficiency of operations in the market by overcoming the legislative lags. The law should enable the neo-government to expeditiously issue a variety of innovative - administrative and quasi-judicial - preventive, remedial and penal - measures matching the conduct of the participants. This requires an almost incomplete legal regime where the neo-government, which has a better understanding of the environment, has adequate powers of subordinate legislation within the basic frame of the statute and also the powers to enforce the laws proactively and promptly.

While SEBI mostly operates under an incomplete legal regime and that explains its success to a large extent, many neo-governments are not that lucky. They often need prior approval of the government to make regulations. In many cases, they do not have the power to take enforcement actions against the miscreants or penalize them. Often, the neo-government and the Government have powers to make subordinate legislation to carry out the purposes of the statute that has created the neo-government. Occasionally, the neo-government does not have complete authority over the area it governs. For example, SEBI and Ministry of Finance have authority to make subordinate legislation to carry out the purposes of the SEBI Act. SEBI does not have full authority to make subordinate legislation on certain important aspects of the securities market such as recognition of stock exchanges, requirements of listing, delisting of securities, etc. This partly explains different standards, for example, for listing of a government company and a private sector company and distorts the level playing field. These hinder the effectiveness of neo-governments.

b. Independence of Neo-governments

'Independence', as applied in the context of neo-governments, is often misunderstood. It certainly does not mean independence

from the laws of the land. Nor does it mean independence from the standard checks and balances evolved over time for the exercise of powers. As much as one may wish, a public agency has to discharge its responsibilities within the frame work of the law and be accountable for its performance. In fact, in a democratic mode of governance, no public agency is independent. Strictly speaking, a system delivers its best only if all its parts have harmonious co-existence and no part seeks independence from the others. In a sense, dependence on one another is a source of strength; vigilance by others keeps one always on toes and prevents failure. Full independence carries along with it the obvious danger of a public agency drifting away from the people and, possibly, even from the very objectives for which it is established.

In a system, only those who can shoulder accountability deserve to be independent. Hence accountability and independence go hand in hand and the mechanism to ensure these needs to be provided together. If an entity is to be held accountable for its performance, it must be independent in terms of resources and capacity and the manner of using resources towards its objectives. A related issue is credibility. Independence is not always granted; it is often earned. Unless an institution establishes its credibility, it cannot claim 'real' independence even if the statute provides for it! It takes years, sometimes decades to build credibility. Central banking the world over, for example, undertook painstaking efforts for decades to earn the level of its independence that it enjoys today. This does not mean that a neo-government should not have any independence to start with. Independence and credibility need to feed on each other in a virtuous circle.

The protagonists of governance by neo-governments believe that neo-governments need to be 'independent' to professionally discharge their responsibilities. They believe that without functional independence in regulatory space, neo-governments would be encumbered by socio-political or legacy constraints and may not be in a position to take 'objective' decisions. Functional independence entails powers, financial resources and capacity commensurate with the regulatory responsibilities. Neo-governments discharge extra-regulatory functions as well where, perhaps, the nature and degree of independence sought is different, as these are not their exclusive prerogatives. Here, neo-governments are just one of the players (the government may have multiple arms performing these tasks) while in the regulatory space they are the umpires. The umpires must be independent - but armed with the knowledge, including the knowledge that their independence is restricted to the game on the field, and that they are accountable for the exercise of their independence.

Government shares governance with neo-governments. This



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The neo-governments in India are generally independent in varying degrees, although there is scope for greater independence (not absolute independence) for all of them. What surely needs improvement is the public perception about their independence.

does not make the latter the agents of the former. Neo-government is, however, a part of the government and carries on governance in a statutory framework. The legislature and judiciary scrutinize its activities as much as they do those of the executive. In fact, the executive and the neo-government carry out governance in a particular area subject to oversight/scrutiny of the legislature and the judiciary and the statute does not make explicit provision for oversight of the neo-government by the executive. For example, the Government of India (Allocation of Business) Rules, 1961 assign policy relating to regulation and development of securities market and investor protection to Department of Economic Affairs, while the SEBI Act, 1992 entrusts SEBI with the responsibilities to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. Even the SEBI Act, 1992 empowers both Department of Economic Affairs and SEBI to make subordinate legislation to carry out the purposes of the Act. This kind of arrangement puts the executive and the neo-government on the same side as partners in governance, and therefore, the latter is generally considered an extension of the executive. The relationship between these two has important bearing on the independence of the neo-government.

Let us look at the regulatory domain of the neo-governments. Statutes often empower them to discharge most of their responsibilities without recourse to the executive or the government. Many of them make subordinate legislation dealing with matters under their jurisdiction. They issue various kinds of directions in the interests of the market and the customers. They carry out executive responsibilities such as registration, inspection, investigation, etc. They determine and initiate enforcement actions appropriate to the alleged violations. They raise resources to discharge their regulatory functions. They build human resources matching their responsibilities. Their staff enjoys immunity from suit, prosecution or other legal proceedings in respect of actions taken by them in good faith. These statutory provisions, wherever available, promote the independence of the neo-governments and leave little scope for 'interference' in the

regulatory arena. Viewed in this context, most neo-governments in India are fairly independent, though in different degrees.

Under the democratic form of government, the legislature scrutinizes the executive and the quasi-legislative activities of the executive. It also scrutinizes such activities of the neo-governments. It is, however, expected to scrutinize only the quasi-legislative and the executive activities of the neo-governments and the quasi-judicial activities of the neo-governments should be beyond its scrutiny. However, it is difficult at times to clearly classify every activity of a neo-government into water tight compartments and to restrict the legislative scrutiny to the quasi-legislative and the executive activities of the neo-governments. Further, a particular matter may have been dealt with administratively upto a point and determined thereafter quasi-judicially. In such cases, it is difficult to demarcate the aspects of the matter which can be scrutinized by the legislature. If proper care is not exercised, the legislature may inadvertently scrutinize quasi-judicial activities which would undermine the independence of neo-governments.

Neo-governments undertake quasi-legislative, executive and quasi-judicial measures - a reason why their powers, as well as image, sometimes get magnified. But given the exalted position of the legislature and the judiciary in the Indian Constitution, independence is not sought in respect of quasi-legislative and quasi-judicial activities of neo-governments. It is considered normal if the regulations and orders of neo-governments are modified or set aside by the legislature/the judiciary, as the case may be. In fact, the statute itself provides the manner and extent of legislative and judicial intervention in the quasi-legislative and the quasi-judicial activities of neo-governments. However, a gentle nudging from the executive has the potential of being perceived as impinging on the independence of the neo-government and, hence, the independence of the neo-governments essentially boils down to independence from the executive.

The Constitution assigns a particular subject to the union legislature. The business allocation rules assign the executive responsibilities relating to the subject to an executive unit, namely, ministry. However, the legislature, by a statute, assigns regulation, development and customer protection matters related to the subject, to a neo-government, and clothes it with quasi-legislative, executive and quasi-judicial powers subject to the oversight of the legislature and the judiciary, without actually curtailing the responsibilities of the ministry. The said statute, however, empowers the ministry to constitute the neo-government and supersede it if the latter fails to discharge functions to its satisfaction. It also empowers the ministry to give directions on policy matters to the neo-government and make rules to further the objectives of the



statute. It requires the ministry to respond to the legislature on all matters relating to the subject for and on behalf of the neo-government. The ministry places the activity reports- the annual report, the annual accounts, the regulations, etc.- of neo-governments before the legislature for scrutiny. It is accountable to the people through the legislature on all matters relating to the subject, even if it is governed by the neo-government. It discharges these responsibilities in the absence of explicit powers of oversight over the neo-government. In exercise of these responsibilities, it engages in constant interaction with the neo-government. The interaction, if not properly calibrated, could be construed as 'interference'.

The ministry is usually perceived to have the ability to influence the decision and policy of a neo-government. One reason is its presence on the governing board of the neo-government. The views of the representative(s), being the nominee(s) of the Minister who is accountable to the legislature, usually carries relatively more weightage in the decision making process. Besides, government is a market participant and is subject to pulls and pressures. It may not always be possible for the representative to take an objective position in all matters involving government. It is better that the board of the neo-government does not have any nominee from the ministry, particularly when it has recourse to give directions to the neo-government. For that matter, it may not have any nominee at all, because a nominee invariably espouses the interests of the entity which has nominated him.

The board of a neo-government needs to have a mix of part-time and full time members. Part-time members are necessary to obtain the industry knowledge/feedback from the people who are otherwise engaged on full time basis in industry/profession and are not willing to come on full time basis on the board of the neo-government. They are also necessary to bridge the democratic deficit the neo-governments suffer from. However, care has to be taken to avoid any kind of conflict of interest. The board also needs to have a mix of members from different disciplines relevant to the subject governed by neo-government. For example, the board of SEBI needs to have members who have excelled in the disciplines such as economics, finance, law or accountancy or have demonstrated capacity in dealing with problems relating to securities market. This kind of composition of the board would promote independence of neo-governments and avoid undue influence on the decision making by neo-governments.

The ministry appoints the chairman and other members of the governing board of the neo-government as well as determines their terms of appointment. The statutes or the rules made thereunder generally provide for the selection procedure for such persons and the maximum duration of the term, and empower the ministry to terminate the appointment before the expiry of the term. The ministry generally has powers to relax

these rules, for example, to grant a term longer than that is provided in the rules. The term of an appointment, the termination of the appointment before the expiry of the term, the extension of the term, or even granting a second term depends solely on the subjective satisfaction of the ministry and have the potential to prevent a person from taking a position extremely unpalatable to the ministry. A reasonable and secure tenure, similar to those available for constitutional functionaries, would go a long way to promote independence of the neo-governments. The statute should provide an objective, structured process for appointment and termination of services of persons on the governing boards of neo-governments. Ideally, these matters should be dealt with by a ministry, which does not deal with the subject governed by the neo-government. It is desirable that a new ministry is set up to look after the establishment matters of neo-governments; as such matters relating to PSUs are looked after by the Department of Public Enterprises. A Regulatory Selection Board can be constituted online with PESC to select chairman and other members to the boards of neo-governments.

The ministry can also influence a neo-government through its power to issue directions in matters of policy which the neo-government is bound to comply with and to reconstitute or supersede the neo-government. These powers, though necessary, must be sparingly used. The statute should, therefore, provide an objective, structured process for issuing directions to neo-government, or superseding it in specified circumstances. Such provisions, along with those for legislative and judicial scrutiny, would balance accountability with independence. Thus, the legislature, the ministry and the judiciary should intervene in the working of the neo-governments, but in a transparent manner and to the extent permitted in the statutes.

Independence critically depends on the provision of resources matching the responsibilities. A neo-government cannot exercise its authority independently if it is dependent on somebody for its sustenance. While some neo-governments have adequate and independent sources of income, some others are not that fortunate. Some raise resources and use the same for meeting their objectives, while others turn the same over to the government and depend on budgetary allocation for their expenditure. Irrespective of their potential to raise resources, neo-governments need financial autonomy, though there are various ways to secure it. Entities like Comptroller and Auditor General of India (C&AG) are effective because they have financial autonomy, even though they do not have adequate and independent sources of finance. The neo-government should have resources from those sources which do not conflict with its professional delivery. For example, the fines levied by a neo-government should not come to its



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coffers. Otherwise, the neo-government may prefer to impose a higher monetary penalty than warranted or prefer monetary penalties to other kinds of more effective penalties.

The independence also depends on the availability of human resource at the disposal of the neo-government. If the available human resources do not have the professional capability to determine the issues objectively, it would not be able to withstand the perceived or actual influence from various quarters, not necessarily from the ministry. For example, if it does not have an adequate understanding of an issue, it would get carried away by noisy, often articulate, suggestions made by the vested interest groups. Unfortunately, many neo-governments compensate their employees at par with the government employees and often recruit employees on deputation from government sector. This often fails to attract the right talent adequate for the task and develop a cadre of professionals in the neo-government who would upgrade themselves continuously to meet the challenges of dynamic environment.

Quite often, the compensation of the chairman and the members of the boards of the neo-governments are linked to that of the government employees. This reduces the catchment area to the people who are willing to work for government salaries. Further, a serving officer has to resign from service before joining as chairman or member of the board of a neo-government. Though desirable, this reduces the catchment area further. To add salt to injury, most of these people are not paid full salary attached to these positions; they are paid salary minus pension, even though they work full time. This largely explains why these positions are held mostly by retired people, that too, often with government background, who are willing to work out of love for the country, for half the government salary. These are very dynamic and stressful positions and require young leaders with proven track record in the area relevant for the neo-government.

The neo-governments in India are generally independent in varying degrees, although there is scope for greater independence (not absolute independence) for all of them. What surely needs improvement is the public perception about their independence. If a neo-government brings in a measure which is not liked by some market participants, they generally use their influence to seek intervention of the government to persuade or influence the neo-government to withdraw or modify the measure. During the initial and formative days of SEBI, whenever a measure was initiated, it was common for the affected market participants to seek government intervention. On one such occasion, the then SEBI Chairman Mr. G. V. Ramakrishna is stated to have remarked: "The way to Mittal Court (then SEBI office) from Dalal Street is not via North

Block (the head quarters of Ministry of Finance)". This happens because of the perception that the affected parties can protect their interest if they can adequately influence the government. To the extent the vested interest groups succeed in their endeavours, this perception gets reinforced.

Further, the courts in India pass thousands of orders every day or set aside the orders passed by lower judiciary. These hardly get reported in media and rarely criticized for appropriateness. These rather serve as learning tools for professionals. The losing party respects the orders even while appealing against the same before the higher judiciary. Unfortunately, the same is not true of a quasi-judicial order passed by a neo-government. The affected parties at times resort to media campaigns against such orders of the neo-governments as well as the functionary who has passed the orders. This happens because of the perception that the orders of the judiciary cannot be influenced, while that of a neo-government, which is considered an extension of the ministry, can be. The judiciary has earned this kind of credibility over centuries of impartial and objective work, while neo-government is a new kid in the block. The neo-governments need to demonstrate objectivity and impartiality in their orders for years and the public needs to notice such objectivity and impartiality.

c. Accountability of Neo-governments

The government is ultimately accountable to the people for governance through the neo-government. Since the neo-government is not directly accountable, it may not always be as sensitive to the consequences of its omissions and commissions. This calls for a well-crafted accountability mechanism to avoid possible failure of the neo-government. However, this does not call for a well-crafted control mechanism over the operations and the management of the neo-government. It is important to note that accountability is not synonymous with control and less of autonomy. In fact, the higher the level of autonomy, the greater is the accountability and *vice versa*. In other words, the accountability should be commensurate to the level of autonomy.

Current accountability arrangements in India focus mainly on their role as regulators, probably because they are so perceived. Through the administrative ministries, the neo-governments lay on the table of the Parliament subordinate legislation, annual report detailing their activities and performance, and statement of accounts audited by the C&AG. The departmental standing committees scrutinize their activities while approving their demand for grants or the demand for grants of their administrative ministries, as the case may be. They are obliged to carry out the policy directions of the government. In the face of substantial failure, the government has the power to reconstitute the neo-governments under specified circumstances by following a



special procedure. Their orders are subject to appeal, generally before a tribunal, with provision of judicial review to the Supreme Court.

There are comparable bodies in other countries. A case in point is the Securities and Exchange Commission in the USA. It is required to consult the stakeholders and the public, and reveal the associated costs and benefits, while making subordinate legislation. Its budget as well as the subordinate legislation with important bearings needs to be pre-approved by the Congress. It appears before the Congress twice a year and gives testimony before the congressional oversight committees as often as required. The Government Accountability Office generally assesses its performance in terms of its objectives and efficiency and reports to the Congress. It seeks administrative sanctions from an administrative law judge. It refers matters to the Justice Department for launching prosecution before the District criminal court. Another neo-government, namely, the Commodity Futures Trading Commission, has to even justify its continuation every five years before the Congress. The accountability arrangements are well laid out in the UK, where a 'private limited company' acts as the Financial Services Authority (FSA). It reports to the Parliament through the Treasury and the Director General of Fair Trading keeps a watch from the sidelines on the conformity of the FSA's regulatory actions. It publishes an annual performance account of the fairness and effectiveness of its own enforcement process, half-yearly performance account for service standards and customer satisfaction, quarterly performance account on business plan milestones, etc.

There are certain standard arrangements that advanced jurisdictions have adopted for ensuring the accountability of the neo-governments. These include: (a) *ex-ante* accountability such as consultation with the public and the stakeholders before taking an action, (b) *ex-post* accountability such as reporting actions already taken, (c) explanatory accountability such as disclosure of the rationale of the actions, (d) procedural accountability such as adhering to standards of procedural fairness and transparency, and (e) performance accountability such as achievement in terms of objectives. The accountability arrangements rest on five main planks: (a) articulation of the responsibilities, objectives and targets against which the neo-governments may be held accountable, (b) provision of powers, resources and capacity of the neo-governments matching their assigned responsibilities, (c) assignment of the affairs of the neo-governments to competent people who are comfortable with the accountability arrangements, (d) identification of stake holders to whom the neo-governments may be accountable, and (e) education of the stake holders about the manner of ensuring the accountability.

With the growing reliance on the neo-governments for governance, it is important to follow a holistic approach to

Government may create a new department, called Department of Neo-governments, for developing standards/ best practices for establishment of neo-governments, including accountability arrangements, developing standards for rule making and enforcement of rules by them, and for promoting the best practices across the neo-governments.

building a uniform system of accountability. As stated earlier, neo-governments are not averse to being accountable to the legislature and the judiciary. They, being extensions of the executive, have hesitation to be accountable to the executive, even though the executive head is accountable to the legislature for the actions and inactions of the neo-government. The trend in advanced jurisdictions is to give neo-governments almost complete autonomy from the executive and make them accountable to the legislature and the judiciary directly as much as possible. The executive should man the neo-governments with capable people who value independence and are comfortable with the accountability arrangements, and make provision for resources matching their responsibilities. The judiciary may exercise oversight over the quasi-judicial activities of the neo-governments through dedicated specialized tribunals with provision for further appeals to the Supreme Court. This would help rapid review of regulatory actions, develop case laws and enforce discipline in the quasi-judicial process followed by neo-governments. This would enable an aggrieved party to access a quick, efficacious and inexpensive mechanism to secure justice.

The Legislature may exercise general oversight over the quasi-legislative and the executive activities of neo-governments. Given the number of neo-governments across the economy and the volume of their activities, and the pressure on Legislature to deliberate the various Bills brought before it, the Legislature needs to set up legislative committees, each of which would exercise oversight over a few neo-governments on its behalf. The committee should engage professional agencies to monitor and review on an ongoing basis the working of the neo-governments *vis-à-vis* that of others in its peer group within the country and overseas, and submit reports for its consideration. It may examine the subordinate legislations, the reports submitted by the neo-governments on their working and the reports submitted by professional agencies on the working of the neo-governments and make its recommendations. The neo-



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governments may have opportunity to explain their conduct and performance to the said committee. The committee and the neo-governments should meet at regular intervals, instead of having event specific meetings which could be clouded with impressions from the event.

Government may create a new department, called Department of Neo-governments, for developing standards/best practices for establishment of neo-governments, including accountability arrangements, developing standards for rule making and enforcement of rules by them, and for promoting the best practices across the neo-governments. The crux of the issue is to spell out *ex-ante* the mechanism of accountability to the legislature, the executive, the judiciary and the other stakeholders at large and to institutionalize the same along with matching resources and capability so that it does not suffer from subjectivity. The legislature and the judiciary must ensure that the executive and the neo-governments adhere to those standards and best practices. The neo-governments may disclose all relevant information to their stake holders and take their inputs for making laws and their decision making process may be transparent to the public and the media. They may disclose their performance in different areas on various parameters at periodic intervals, as they often require the regulated entities to do. The government and neo-government should educate the stakeholders about the accountability mechanism pertaining to the neo-governments.

d. Architecture of Neo-governments

There have been skeptics of neo-governments from early on. Particularly relevant was the powerful argument advanced by George Stigler in the early 1970s about regulatory capture. In its simplest form, it was argued that the regulatory agencies would come to espouse the cause of the industry which they are supposed to regulate rather than the cause of the consumers whom they are supposed to protect. Regulatory capture and regulatory bargaining in a multi-regulatory environment provided a strong concoction for their lethargy and consequently regulatory collapse in the run up to the recent financial crisis. The regulators not only supported the conflict-of-interest-ridden organisational structures and product over-innovations of the high street but also adopted 'feather-touch' regulation and oversight of these entities and their activities. The important lesson from the financial crisis is that the neo-governments need to build their capability to withstand the influence of the regulated.

They also need to build capacity that would inspire the confidence of the consumers and the regulated. Their expertise must be such that their findings enjoy deference from judiciary,

something similar to the doctrine of deference in the USA. The Judiciary should not disturb the professional findings of a neo-government unless it is *malafide*. They should have professional decision making process based on adequate research and consultation with the stakeholders. They should undertake at periodic intervals self-assessment of their own performance and disseminate the outcome of such assessment. They should disclose their performance against pre-set benchmarks quarterly, semi-annually and annually. They should continuously rebuild the organisation to meet the dynamism of the market they oversee. This will build credibility of the organization.

The neo-governments are extremely powerful creations by their design and stature. They have quasi-legislative, executive and quasi-judicial powers rolled into one, while in statecraft these functions have been separated into legislative, executive and judicial functions and assigned to separate agencies to facilitate mutual checks and balances. The neo-governments, therefore, derive extra-ordinary powers arising from the fusion of quasi-legislative, executive and quasi-judicial powers. The Supreme Court made an interesting observation in the context of SEBI's powers in the case of *Clariant International v. SEBI* (AIR 2004 SC 4236): "*The SEBI Act confers a wide jurisdiction upon the Board. Its duties and functions thereunder, run counter to the doctrine of separation of powers. Integration of power by vesting legislative, executive and judicial powers in the same body, in future, may raise a several public law concerns as the principle of control of one body over the other was the central theme underlying the doctrine of separation of powers*". Though the Constitution of India does not envisage strict separation of powers, it does indeed make horizontal division of powers among the legislature, the executive and the judiciary. In keeping with the spirit of the constitutional provisions, every neo-government must ensure that its three wings exercise quasi-legislative, executive and quasi-judicial powers with independence and without intra-institutional bargaining and, thereby, avoid potential public law concerns prognosticated by the Supreme Court.

One critical function of neo-governments is making Regulations. Most of the statutes creating neo-governments are silent about its process. For example, the SEBI Act, 1992 merely states that the regulations shall be made in the interest of investors and markets and after the notification of the regulations, the same shall be laid on the tables of the Parliament. Even though it is not a statutory requirement, many neo-governments have evolved a transparent and consultative process to make regulations. SEBI, for example, has a large number of standing advisory committees to deliberate on the evolving issues and their possible resolution. It also appoints ad-hoc committees on specific issues. It generally issues a concept / discussion paper before or after consultation with the standing advisory / ad-hoc committee concerned. It sometimes



organizes workshops of stakeholders to elicit their feedback. It examines the feedback on concept/discussion papers internally or through the advisory committees. In exceptional cases, a revised concept/discussion papers is put out seeking another round of comments/feedback. This consultation process brings ground reality and makes the decisions sound and acceptable by the regulated. Based on the examination of feedback, it formulates an agenda note proposing the necessary regulations. The Board of SEBI considers the agenda and approves the proposed regulations with appropriate modifications. While the board agenda and minutes are available in public domain, the decisions are conveyed through a press release on conclusion of the board meeting and the necessary regulations are issued thereafter through a gazette notification. This process need to be strengthened further by making the comments of the neo-government on each feedback available in the public domain, as has been done recently by the Airport Economic Regulatory Authority, and public hearing of the proposed regulations, as is being done by the SEC. This process need to be emulated by all the neo-governments.

Another critical function is the initiation and the disposal of the enforcement actions. The Act and regulations made thereunder generally do not provide the process. Nevertheless, the neo-government should ensure that the process is just and fair. This means that the accused should have adequate notice, provisions of documents/evidence relied upon by the neo-government, and reasonable opportunity to defend. If an accused believes that the authority may be biased or interested, he should have the option to seek a change of the authority. In fact, the Code of Ethics for Chairman and Members of SEBI Board provides this facility to the accused. The authority disposing of the enforcement action should be free from bias, including official bias. An authority, which has ordered or supervised the investigation into the matter, may be tempted to punish the accused even if there is not enough

evidence. This bias is avoided in SEBI where an authority, other than the one who has initiated the proceeding, disposes of the proceeding. The case of the authority, who has initiated the proceeding, is presented by an Advocate or a Presenting Officer before another authority who disposes of the proceeding, after hearing the accused.

This could be formalized by the neo-governments setting up dedicated quasi-judicial units and posting officers to that department on a tenure basis. These officers must have a long experience in dealing with the problems relating to the area and undergo intensive training to deal with quasi-judicial matters. During the said tenure, they would do only quasi-judicial work, in addition to participating in board matters, as may be required. They would hear both the operational department(s) who have alleged the irregularity and the accused and, then, pass appropriate orders. This would be akin to the process before the Administrative Law Judge where the representatives of the SEC and the accused present their case. These officers would move back to operational departments after the expiry of the said tenure. This would ensure that quasi-judicial officers do not carry any official bias while they remain abreast with the technical knowledge.

There must be time-lines for completion of every activity of the neo-government. It must dispose of any application from market participants, such as for registration, within a specified time. It must complete the various processes such as inspection, investigation, enquiry, audit, etc., in a time bound manner. It must initiate appropriate enforcement actions immediately on conclusion of the fact-finding process. It must conclude the enforcement actions expeditiously because delay defeats justice and causes hardships to the accused as well as the victims. The accused is looked down with suspicion and practically ostracized from the market till the conclusion of the proceeding. The waiting for conclusion of the proceeding occasionally becomes more painful than the worst penalty the proceeding may warrant. The neo-governments occasionally issue interim orders which often operate as penalty before conviction. The accused suffers the interim directions till the conclusion of the fact-finding process and also the enforcement actions emanating therefrom. Interim orders must be avoided to the extent possible and such orders must cease to have effect after the passage of a certain time. The authority should dispose of the enforcement actions by issuing speaking orders which should be disseminated on the web-site.

The statute often empowers a neo-government to initiate a number of enforcement actions simultaneously for the same act of irregularity. For example, if an irregularity has been committed by an intermediary, the SEBI Act, 1992 empowers SEBI to initiate an enquiry proceeding, which may lead to



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suspension/cancellation of the registration of the intermediary concerned. It may initiate an adjudication proceeding which may lead to imposition of monetary penalty. It may also initiate section 11B proceeding leading to issue of an order directing a wide variety of preventive/remedial measures. In addition, it may initiate prosecution before the competent court. In fact, wherever it considers appropriate, it initiates a combination of these proceedings. If SEBI is not conscientious, every irregularity could attract multiplicity of proceedings and imposition of multiple penalties against the same person for the same offence, though it is not uncommon for these multiple proceedings resulting in conflicting outcomes. This is in addition to penalties levied by self-regulatory organizations, such as the stock exchanges against the brokers, for example. Further, since the securities laws are in addition to, and not in derogation of, any other laws, an accused may be subjected to enforcement actions simultaneously under the securities laws as well as other laws. Ideally, on completion of the fact finding process, the executive unit of the neo-government should file a charge sheet and present its case, through a presenting officer or an Advocate, before the quasi-judicial unit, which would follow the principles of natural justice and pass appropriate orders. These orders may provide for preventive/ remedial measures, monetary penalties and/ or suspension/ cancellation of registration. Besides, if considered necessary, the neo-government may approach appropriate courts for criminal sanctions.

The neo-governments must endeavor to write regulations in plain English. Despite this, different people would derive different meanings from the same provisions. The economic agents would be taking huge risks if they take decisions based on their understanding of law, even if, most often, their understanding turns out to be correct. They can have some comfort if they can get some kind of guidance or advance ruling from the neo-government where there is not enough legal certainty about the applicability of the particular provisions or the obligations thereunder. Though not a perfect one, the SEBI

(Informal Guidance) Scheme, 2003 provides some comfort to market participants in this regard.

A neo-government needs to recognise that it alone does not have the exclusive jurisdiction over extra-regulatory activities and that it is only a part of the governance ecosystem. It must, therefore, actively seek the support of the government and other neo-governments involved as well as the market participants while pursuing extra-regulatory activities. For example, no single agency can do by itself enough in the area of financial literacy. This requires pooling of resources and promoting public-private partnership. Similarly, a neo-government should seek co-operation from the government and the other neo-governments while pursuing its regulatory objectives. It must, in turn, extend its support and co-operation to the government and the other neo-governments whenever called upon to do so. It must establish harmonious relationship with the government and the other neo-governments as it would not be able to deliver effective governance on its own.

We have to bear in mind that the neo-governments are popularly known as regulators in their respective areas. This can create perverse incentives in the sense that these agencies focus only on regulation and not so much on the other objectives formally assigned to them and the public too evaluates their performance only in the area of regulation. As a result, either they do not perform that well in extra-regulatory areas or their performance in those areas are not noticed. Further, quite often, they have apparently conflicting objectives. Most neo-governments have the mandate to protect the consumers and to develop the market. It is possible that a measure which promotes market development may not necessarily promote consumer protection. As a result, a neo-government may not take any developmental initiative which has the potential to adversely affect the interests of the consumers. This defeats the very purpose of creation of the neo-governments. They need to pursue all their objectives simultaneously and manage the conflicts skillfully.

e. Partnership with Government

As illustrated earlier with an example, both Department of Economic Affairs and SEBI have jurisdiction over the securities market. Even the SEBI Act, 1992 empowers both to make rules and regulations respectively to further the objectives of the Act. This overlap leaves scope for duplicity and inconsistency in the measures and shifting of responsibilities at the time of crisis. More importantly, this gives an impression that the market participants can pursue their objectives with either of them. In the early days of SEBI, the affected regulated entities used to take the first available flight to North Block with every significant restriction that it imposed on them. This happened because many genuinely believed that SEBI was subordinate to the ministry, it has no option but to act the way the ministry wishes, and the ministry had a legitimate role in the matter. In order to



reinforce the independence of the neo-governments and to promote harmonious relationship between the ministry and the neo-government, it is useful to discourage such attempts by the regulated entities.

This is difficult to achieve in practice as the ministry is called upon to explain the conduct and performance of the neo-government before the legislature and the government has the responsibility to deliver the governance in the area assigned to the neo-government. For example, the Ministry of Finance is called upon to explain to the Parliament the developments in the securities market, including the performance of SEBI, even though the government has assigned the governance of securities market to SEBI. Further, the ministry quite often receives complaints of citizens against economic agents regulated by neo-governments and also neo-governments themselves. In such cases, the ministry faces a dilemma. If it does not intervene in the matter, it runs the risk of being perceived as ineffective or insensitive to citizens. If it calls for a report or seeks certain actions from the neo-government, it is construed as interference. Given the precarious position of the ministry *vis-à-vis* the neo-government, the latter must never put the former in a spot.

One option is to allow the neo-governments to explain their quasi-legislative and the executive activities directly to a parliamentary committee, which may, after consideration of all issues, give appropriate advices. The committee may evolve a structured mechanism to receive inputs on matters of policy from the stakeholders and intervene, in a transparent manner, in such matters after hearing the neo-government. Another option is to ensure that the neo-governments have staff who have competence and integrity and who inspire confidence among the citizens. The ministry can then forward the complaints to the neo-government and allow it to take action as it may consider appropriate. Still another could be that the ministry abdicates / refrains from using its powers of making rules, except on the administrative matters of the neo-government. This requires a well calibrated co-ordination between the government and the neo-government and understanding and mutual respect for each other.

One objective of the governance through the neo-governments is to improve efficiency which is not otherwise possible within the usual statecraft. It is imperative to let the neo-governments have their own processes and procedures, that enhance efficiency, to deal with a matter, rather than adopt the processes and procedures followed by the government. Sometimes, however, the government expects and the neo-governments follow, either on account of inertia or fear of going wrong, the processes and procedures established in the government. For example, the circumstances may warrant an immediate advertisement in the press in the interest of the consumers. The government process requires it to be issued

through DAVP. If this process is followed, the advertisement may not appear in papers immediately and thereby defeat the very purpose of the advertisement. Therefore, the neo-governments need to evolve their own process, with adequate checks and balances to avoid any possible misuse, of issuing advertisements. Similarly, the neo-governments need to develop specialized skills matching the tasks by breaking away from the HR policies of the government. Their effectiveness would remain a challenge if they were to compensate their staff at par with the government employees. They should have their own recruitment processes and pay structures to attract and retain the talent appropriate for their task. The agencies like C&AG, CVC, CBI should insist on adherence to the standards and the practices evolved by neo-governments and/or by the Department of Neo-governments.

The neo-governments have defined boundaries in terms of products, participants, and geographies and have limited powers and responsibilities. Certain situations may demand exercise of powers beyond these boundaries or exercise of more powers than those available with them. This realization comes only with practical experience. For example, a neo-government may need telephone call records of some persons to establish their involvement in a fraud. It may need certain information from another agency - domestic or overseas - to unravel the design of the fraudsters. It may need to follow up on the activities of a certain entity overseas. It may need powers to issue interim directions pending enquiry or investigation. In such cases, the government, which is sovereign, needs to support the neo-governments by ensuring that the neo-governments get the powers to do these things and facilitate them by bringing together the various agencies for a common purpose in the public interest. Similarly, the development of the market needs the co-operation of many agencies. For example, the development of the corporate debt market needs support of the central government, the state governments, and many neo-governments. In such cases, the government needs to not only extend its support, but also garner the support of the state governments and the concerned neo-governments.

Let me now turn to the conflict of interest arising from the government's dual role of a policy maker and a market participant. Quite often, the government-owned enterprises participate in the market and compete with the private enterprises. It may not always be possible for the government to treat the PSUs and the private enterprises at par and there is a possibility that the market would view the government policies and regulations with suspicion that they promote the interests of the PSUs. This is one of the main reasons why the government established neo-governments to oversee the activities and markets where PSUs also participate. This builds



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the perception that both the PSUs and the private enterprises have the same level-playing field. The PSUs, who are creations of the same government which has created the neo-government and who are historically accustomed to special treatments, at times seek and secure exemption from compliance with some of the regulations of the neo-governments. Let us take an extreme example of how this can potentially happen. Let us say a PSU has issued a class of securities on certain terms in compliance with the securities laws. As the market conditions change, it may find such terms unfavourable. But it cannot change the terms of issue under the securities laws. However, the legislature can enact a new law to change the terms of issue applicable to the PSUs. While the legislature can enact overriding laws in public interest, such an approach undermines the governance through neo-governments. Another example is the implementation of corporate governance standards. SEBI is not enforcing these standards on listed companies because many PSUs do not comply with the same. Occasionally, the PSUs, because of their parentage, often demonstrate a higher level of compliance with the regulations prescribed by the neo-governments. Once the PSUs lead the way, the others fall in line. This facilitates easy acceptance of reforms and new regulations.

Government has not laid down the standards for the establishment and the operations of the neo-governments. Every administrative ministry invents a model based on its expectations from the neo-government. As a result, the structure of neo-governments differs widely. For example, for some neo-governments, there are dedicated tribunals to scrutinize their orders and act as appellate authorities, while for the others, there are no such mechanisms. In some cases, the government itself is the appellate authority against the orders of the neo-governments. Similarly, some neo-governments have their own independent budgets, while the others depend on grants from the government. Some neo-governments have representatives of the government in their governing boards, while some others do not have such representation. Some neo-governments have only whole time members, some others have mostly part-time members. While some degree of flexibility is necessary, there is a need for some overarching principles that would guide the establishment as well as the operations of the neo-governments. In this respect, the executive agency framework of the UK may provide some useful guidance. This format may also cover the best practices to be followed by a neo-government. For example, it may be specified that all regulations need to go through a standard consultation process and that the neo-governments need to have a certain defined standard of transparency in their operations. This has been done very explicitly in the Airport Economic Regulatory Authority of India Act, 2008. This Act requires the authority to ensure transparency while exercising



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its powers and discharging its functions by (a) holding consultation with all the stakeholders, (b) allowing all stakeholders to make their submissions and (c) making all decisions of the authority fully documented and explained. Department of Neo-governments can adopt the best provisions and practices based on the experience and incorporate those into the charter to serve as a guide for the ministries.

f. Co-operation among the Neo-governments

Government has been creating neo-governments for every possible niche area. Let us look at the financial markets. Traditionally, businesses were clearly differentiated - banks offered banking services, insurance companies offered risk sharing, securities companies offered resource allocation and employers provided pension - an entity carried on only one kind of business. This established entity-based regulation and separated the supervisory structures along the business lines. Thus, we have RBI as the primary regulator for banking, IRDA for insurance, SEBI for securities markets and PFRDA for pensions. Add commodity derivatives, and we have one more market regulator, namely, FMC. The number increases further if we add the administrative ministries associated with each of these regulators and the authorities responsible for the governance of each kind of market participants. To complicate the matrix, a few authorities jointly and concurrently regulate certain segments. For example, MoF, MCA, RBI and SEBI regulate different aspects of securities markets simultaneously. There are also sub-regulators, such as NABARD and NHB, and general regulators, like Competition Commission of India (CCI) as well as regulators at the central and the state level. A large number of self-regulatory organizations (SROs) and industry bodies, who litter the regulatory canvas, share the responsibility of regulation with the primary regulators.

In the recent decades, the economies of scale and scope together with deregulation and globalization have blurred the legal and geographic boundaries between markets in banking,



securities, insurance and pension. Consequently, we now have financial supermarkets - entities that simultaneously engage in activities that come under the purview of multiple regulators. This prompted a shift to activity-based regulation: an entity carrying on three different businesses is simultaneously regulated by three different sectoral regulators as well as many administrative ministries, general regulators, sub-regulators and SROs. Thus, the regulatory architecture of the financial sector in India is as complex as it could be.

The matrix of markets, products and participants in different segments – banking, insurance, securities and pensions at different layers – sub-national, national and supra-national, exhibit considerable overlaps, gaps and twilight zones. This overlap leaves scope for duplicity and inconsistency in regulations and shifting of responsibilities at the time of a crisis. Such overlap has often ended up in the courts, such as the dispute between the CERC and the FMC over the development and the regulation of the market for 'power'. It occasionally leads to prescription of competing standards such as in the area of corporate governance by SEBI and the Ministry of Corporate Affairs. On the other hand, there are instances where no regulator takes any initiative because it is the responsibility of many regulators. For example, we do not yet have a framework for grooming and regulating investment advisers, who operate in the jurisdictions of many regulators. There have been problems with regulatory gaps also. For example, taking advantage of the gaps, plantation schemes merrily collected thousands of crores of rupees from innocent investors in the mid-1990s and the debate on who would regulate such schemes went on till a sort of scam broke out. We have twilight zones when a market or product has many elements and these elements are under the jurisdiction of different regulators. This sometimes leads to quarrels between the regulators: in one such instance involving determination of the regulatory jurisdiction over a financial product (ULIP), the then Finance Minister, Mr. Pranab Mukherjee lamented in Parliament that the regulators were quarrelling like petulant children and the government had to step in through an ordinance.

Further, there is a potential for tension between the general regulators and the specialized regulators. While one deals with a particular market, another may deal with one aspect of every market. For example, the CCI deals with competition issues in all markets while SEBI deals with all aspects of the securities market. Both these regulators may wish to have independence to determine the pace and manner in which to usher in competition into the securities market. Such determination by one would amount to 'interference' in the domain of the other. The neo-governments need to develop inter-institutional arrangements, which are made publicly available so that the market participants are aware of the respective jurisdictions. There are certain infrastructures, which if developed, will be

useful for all the segments of the financial markets. From the perspective of each neo-government, private benefits fall short of private costs resulting in underinvestment in such infrastructure and consequentially underdevelopment of the market. Cooperation among the neo-governments has the potential to overcome such problems, as it would help look at public benefits and public costs of such infrastructure more objectively and holistically. For example, every neo-government in financial markets tends to under-invest in financial literacy; the problem can be addressed if they work together. Further, some activities require efforts of many neo-governments. We would not be having a flourishing exchange-traded currency derivatives market today but for the very fruitful co-ordination between RBI and SEBI. Similarly, we would not be able to take the proceedings relating to a financial sector scam, the tentacles of which spreads over the entire financial market and even beyond, to a successful logical end, if every neo-government takes a limited view of the irregularity in its jurisdiction only.

Every neo-government follows a unique approach or process. This distorts the level-playing field and creates arbitrage opportunities. For example, one neo-government may develop market for a product by laying down a conducive market design, while another may develop the market for an essentially similar product by soliciting business for the same. Similarly, one neo-government may cancel the registration of a market participant, while another may impose a monetary penalty for a similar kind of irregularity. One may follow judicial process to dispense penalty, while another may follow administrative process. Different neo-governments have laid down different standards and processes for the participants and their activities. Though the standards need to differ based on the nature of the activities, there are certain fundamental standards common to all of them. For example, a market participant has to be a fit and proper person. Unfortunately, we do not have this requirement in all segments of the financial markets. At times, similar products get different treatments in different jurisdictions because these are so permitted or so promoted by two different neo-governments. Similarly, we have different degrees of outsourcing, self-regulation, transparency, consumer protection, etc., which contribute to regulatory arbitrage.

One extreme solution is to have one neo-government for the entire financial sector, another for all utilities, etc., to avoid the issues arising from multiple neo-governments. If this argument is extended further, we could end up having only one neo-government for all kinds of activities / markets. This would, however, deprive us of the advantages of domain expertise of the neo-governments. The aim should be not to have too many neo-governments, nor too few. There is a need for neo-governments for reasonably compact areas and the



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responsibilities among them need to be demarcated as clearly as possible. Gaps and overlaps need to be avoided to the extent possible. Despite extreme care, it would still not be possible to contain the neo-governments in water-tight compartments. They as well as the government would need to complement one another. This would require an institutionalized approach to coordination at multiple levels among the neo-governments and between the government and the neo-governments. This has been achieved recently in the financial sector through the establishment of Financial Stability and Development Council (FSDC) consisting of the government and all the neo-governments.

Conclusion

Governance through the neo-governments is still evolving. There is yet no comprehensive review of this model of governance in India. The reviews elsewhere seem to indicate that while such agencies have been successful in securing better protection of the customers, in a few cases their work has become disconnected with the objectives of the elected governments. The impression prevails that some of the neo-governments in India have earned credibility at par with constitutional bodies. In an article in Wall Street Journal dated November 23, 2010, the author Sadanand Dhume observed: "Unlike many developing countries, India has a record of sustaining credible institutions, among them the Supreme Court, the Election Commission and the Securities and Exchange Board of India." Nevertheless, there is a need for a comprehensive review of the experience so far of governance through the neo-governments and use the learning to improve the location and design of the neo-governments to make them more effective.

Neo-governments are the result of extended delegation: from the people to the legislature to the executive to the neo-governments. Given the complex issues relating to neo-governments as new mechanisms of governance, their design and location have to be an integral part of a larger vision and unifying goal of public interest. Even with a charter in place, the administrative ministry needs to be more than a visionary in designing and spacing each new neo-government or in restructuring an existing neo-government. However, a neo-government should be created only after it is considered the most appropriate delivery mechanism based on a business review. It should cease to exist on completion of every fifth year unless it is extended by a Reauthorization Act after a legislative evaluation of its working in the preceding five years and of the need for its continued existence in the changed environment. The Constitution of India does not explicitly recognize the neo-governments as a mechanism for governance. When governance through the local self-governments was

considered necessary, the Constitution was amended to explicitly recognize them and specify their responsibilities, including their autonomy and accountability arrangements. Perhaps, the time now has come when a clear Constitutional provision may be considered to explicitly recognize the neo-governments and provide for an appropriate and uniform autonomy-accountability framework for them. While deciding their 'space' in the constitutional schema, it would be ideal to define the 'autonomy' arrangements of the neo-governments *vis-à-vis* the three organs of the State - the legislature, the executive and the judiciary. Similarly, it would be useful to specify the 'accountability' arrangements for the neo-governments *vis-à-vis* the various stakeholders. This is necessary to clear the cobweb of the 'practical' aspects of independence, avoid the institutional tensions, and minimise the transaction costs in an increasingly information asymmetric world. ■

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Challenges in Formulation of Regulations

Principle v. Rule based Regulations

In any governmental set-up there are several regulatory bodies. In India for instance, SEBI, IRDA, TRAI and the like are some such regulatory bodies. In this context, this article examines whether principle based regulation or rule based regulation is desirable.

Establishment of Securities and Exchange Board of India (SEBI) as an autonomous regulatory entity ushered in a new regulatory approach in the country. Following setting up of SEBI, we have seen several other regulatory agencies being established like IRDA, TRAI, PFRDA, WDRA, etc. The trend of setting up specialist regulatory entities can be expected to continue as priorities of government require specific developmental and regulatory focus and the complexities of certain economic or socio economic activities require relevant expertise.

Regulatory agencies achieve specific policy objectives in the area under their jurisdiction through formulation of policies/regulations and enforcement. The challenge in formulation of regulation is to prepare the regulated public system (corporate sector, capital market, insurance sector, etc) to continuously adjust itself to changes in the demands/expectations of the constituency that they serve in a non-disruptive

manner. It requires Regulator to understand the history, assess the present, visualize the future, anticipate the behaviour of the regulated entities and provide a regulatory framework to ensure that the behaviour of the regulated entities is conducive to achievement of specific policy objectives. Regulator may enunciate the policy objective and expect the market players to behave responsibly to subscribe to the policy objective. Alternatively, Regulators may adopt a prescriptive approach to determine the behaviour of the regulated entities. The former is called "Principle Based Regulation" (PBR) and the later is called "Rule Based Regulation". (RBR)

Principle Based Regulation (PBR)

This is also known as 'outcome based' regulation. PBR set standards or objectives by which the regulated entities must conduct business and regulated entities are expected to work out the processes to achieve the regulatory objectives. PBR allows a much greater alignment of regulation with good business practice. The use of principles is a more grown-up approach to regulation where the regulator believes in the maturity and responsible responses of the regulated than one that relies on prescriptive rules. PBR is also considered as a modern approach to regulation.



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Protagonists of PBR believe that Principles enhance compliance by promoting behaviour which is congruent with the objectives of regulation. In particular:

- Principles are drafted at a high level of generality, with a view that they can be applied flexibly to a rapidly changing industry
- They are purposive, expressing the reason behind the rule and guides to behavioral standards
- Principles focus on the purpose behind the rule rather than just on the detailed provision
- Principles offer flexibility for regulated firm and regulator in determining how to comply with the rule. This facilitates responsiveness to market innovation and other developments, enhancing the durability of the Principles and reducing the need for constant amendment
- Principles are hard to manipulate, making creative compliance difficult
- Principles can lead to a de-cluttering of the handbook, focusing attention on the important rule
- Principles can lead to a greater degree of substantive compliance with the purpose of the rule, rather than a 'box-ticking' approach, as they require firms to think through how to comply; as such they can be directly linked to management-based regulation

Initial impression of Principles based regulatory regime is that it affords greater freedom to the regulated entities and also entails responsibilities. Every regulated entity is expected to evolve their practices in congruence with the regulatory objective. The management/ Board of Directors of such entities have to take the responsibility for entity behaviour. Regulator also has to take the responsibility to monitor the behaviour of the regulated entities and take enforcement action as may be appropriate at the right time failing which deviant behaviour may get established as an accepted behaviour (precedent).

A principles-based regime is open to interpretation by the regulator through changing market conditions. As what is a behaviour conducive to the regulatory objective is in the discretionary jurisdiction of regulator, the regulatory regime appears uncertain and to that extent regulatory regime appears to be lacking transparency. Under the Principle based regulatory regime, in the days of falling ethical values and ruthless approach in business, regulated entities that have clout with regulatory institutions will tend to have regulatory arbitrage/advantage compared to the entities that do not have such clout. Tolerance exhibited by regulators towards 'enterprising innovation' by regulated entities was stated to be one of the reasons for the recent (2008) Wall Street crash and is indicative of ineffectiveness of PBR.

Rule Based Regulation

In RBR approach, regulators prescribe in great detail exactly what

A principles-based regime is open to interpretation by the regulator through changing market conditions. As what is a behaviour conducive to the regulatory objective is in the discretionary jurisdiction of regulator, the regulatory regime appears uncertain and to that extent regulatory regime appears to be lacking transparency.

should the regulated entities must and must not do to meet their obligations. Whereas regulation is expected to achieve a specific objective, a rule based regime focuses on means to achieve the objective, often not articulating the objective for which the rule is being made. Regulator strives to keep the rule simple, clear, easy to apply and congruent with purpose for which it is being made. In this struggle to define the means to achieve the objective, rule writer falls in to vicious trap of defining minute details. When it is perceived that regulatory approach is Rule based, the regulated entities tend to consider what is not stated in the regulation does not fall into regulatory framework and therefore attempt to take an advantage where possible. The tendency is technical compliance to the rule as spirit of the rule is not articulated or focused therein.

The greatest merit of Rule based regulation is "certainty". A Rule-based regime tells everyone what is required to enter a field and compete. Once the rule is promulgated and announced, all entities concerned with implementation of the rule follow the same standard i.e., the regulator, the regulated and appellate bodies read the rule in the way in which they are drafted and imply the meaning that the language of the rule would carry. If the rule is inefficient, the system will wait until the rule is changed but will comply with such inefficient/deficient rule.

RBR approach has the following limitations:

- RBR regime stifles innovation and brackets everyone into a standard practice. Assumption that regulated entities may not be responsible entities, convenience in enforcement, anxiety to fix an observed misdeed (knee jerk reaction), extensive generalization from non-repetitive events, attempt to set a middle path between possible two ends of market demand, etc are some of the reasons why Rules create standard framework for market behaviour which may not be most effective framework in terms of reaching out benefits of regulatory regime to the society at large. (For example: frisking every person for security reasons may result in inordinate delays in clearing passengers in the airport and repetitive nature of frisking may provide clues to defeat the frisking hurdle)
- Rules are "best guess" as to the future. The Regulator has to anticipate how the rule will be applied in the future. New



situations may arise that were not expected/known about when the rule was written, and the rule may be interpreted and applied in ways that were not intended or anticipated by the writer. When unintended behaviour manifests in response to the rule implemented, regulator may have to make another rule or amend the rule. This cycle repeats itself

- Rules are never perfectly congruent with their purpose - they are always over-inclusive and under-inclusive. Rules are inevitably either under-inclusive, failing to catch things that the rule maker might want to catch, and/or over-inclusive, catching things that the rule maker might not want to catch when applied to particular sets of circumstances
- Whether a rule is clear or certain depends on shared understandings. Whether or not a rule is "certain" depends not so much on whether it is detailed or general, but whether all those applying the rule (regulator, regulated firm) agree on what the rule means. Interpretations and enforcement latitude may give different meaning to the rule than what the rule-writers meant when the rule was being written
- How rule affects behaviour does not depend solely on the rule. The regulated entities attitude to regulation, the incentive structures/penal structures for compliance and non-compliance, and the approach taken to enforcement, determine whether the regulatory objective will be achieved through that regulation

The following table gives a comparison between PBR and RBR:

Comparison of Principle Based Regulations and Rule Based Regulations

Principled Based Regulations (PBR)	Rule Based Regulations (RBR)
1. The regulator sets the outcomes that they desire to achieve leaving great freedom to the regulated entities to pursue methods to achieve the desired outcomes considering the realities of their own institutions. Freedom and Flexibility are two important characteristics of PBR	1. Rule based regime forces the regulated entities to stick to the details of the rules and requires compliance with the same. Spirit of the Rule may or may not be explicitly stated by the regulator. Compliance and rigidity are two important characteristics of RBR.
2. Successful implementation of PBR require an open door policy of the regulator and dialogue between the	2. RBR results in policing like supervisory/regulatory style with frequent enforcement actions which are very

regulator and regulated to arrive at better understanding of 'outcomes' of regulation and methods of achieving the same.

3. PBR appears to an appropriate approach to regulations in these days of complex market structure, product structure and service delivery methods. Also with disappearance of geographical boundaries and emergence of a boundary less virtual global world, PBR could be an effective method of regulation at least for financial and capital markets.
4. PBR is hazy. As Principles do not provide definite and specific answers, regulated institutions may take extreme positions with respect to the regulated subject which may not be the intent of the regulation. Extreme implementation models may result in denial of the benefits of regulated activity or rashness in the delivery of regulated activity.
5. PBR requires support of operational guidelines; however, operational guidelines may be developed by regulated industry bodies or individual regulated entities.
6. PBR is fraught with uncertainty in regulatory
3. RBR requires the regulator to catch up with market developments and constantly review Rules to update the rules relevant and forceful in changing market realities, product structures, etc. Regulator may promulgate rules, often, as a response to developments in the market which may not be comprehensive.
4. RBR provides certainty and definiteness to the regulated. Business models can be created safely based on such regulatory certainty.
5. RBR are in way operational guidelines. RBR may not articulate the objective of the regulation but just enunciate rules to achieve a regulatory objective. The rules are applicable equally for all regulated entities irrespective of specific realities affecting each regulated entity.
6. RBR provides transparency in the



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Challenges in Formulation of Regulations Principle v. Rule based Regulations

response in enforcement situations. Regulator enjoys high amount of discretion which may appear to deny level playing field. Regulator has to set examples by strict enforcement action but every enforcement may get contested in the court of law/apellate bodies.

behaviour or responses of regulator with respect to enforcement of regulation. Regulated entity can rely on precedents and rest assured of justice in enforcement situation.

problem: light touch regulation that placed too much reliance on firms themselves to behave responsibly. Having been one of the regulators most committed to PBR, it is no surprise that the FSA responded with such force against the markets' betrayal. It had had so much reputational capital invested in PBR that when the crisis came, it had no option but to withdraw it from the market"

Meanwhile, other regulators are climbing on the PBR bandwagon just as it appears to be abandoned by one of its main proponents

- In Japan, for example, the head of their Financial Services Authority asserts that it will seek to adopt the right balance between principles and rules in its drive for 'better regulation'.
- In the US, President Obama's blueprint for regulatory reform was committed to using principles based regulation in some form (otherwise known to have followed rule based regulatory approach)
- The OECD continues to support the strengths of principles based regulation although ultimately cautions that the appropriate balance between rules and principles will depend on a number of country specific factors

International experience on regulatory approach¹

In a research article "The Rise, Fall and Fate of Principle Based Regulations" written by Julia Black, it was observed that:

"In financial regulation, the UK Financial Services Authority is notable for elevating PBR to a regulatory art form. But it is not alone. As Cunningham documents, in North America regulatory regimes for securities, corporations and accounting have been described as, and have positioned themselves as, being 'principles based'. 'Principles-based', evokes images of outcome orientated, flexible regulators harbouring ethical standards in largely responsible corporations.

At least, that is the picture that was conjured up pre-crisis. Pre-crisis, PBR was seen as the solution that firms and regulators were looking for to deliver an effective and responsive regulatory regime. Post-crisis, PBR is seen as being the source of the

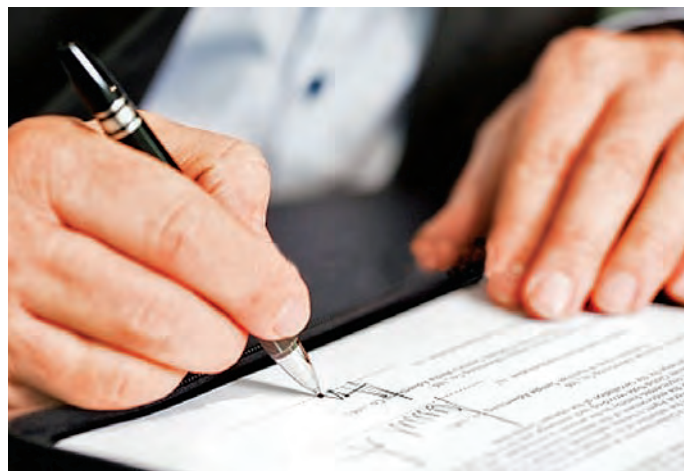
Indian Experience

Indian regulator, whether it is said or not, adopts RBR approach to regulation. All the regulations, notifications, circulars and guidelines issued by SEBI, IRDA, MCA, Tax Authorities, RBI, etc. generally are very prescriptive and set a framework for the behaviour of the regulated. The objective for which the regulation is issued can be discerned only by referring to the internal notes of the regulator but is generally not stated in the notification. The prescriptive approach of Indian regulators is stated to be one of the reasons due to which Indian market could withstand the recessionary onslaught post 2008 world financial crisis.

However, SEBI for the first time (Feb 2012) has taken stand of shifting to PBR at least with respect to advertisement and valuation of assets in Mutual Fund Regulations. The memorandum to the Board requesting for amendments to Mutual Fund regulations stated that:

"2.1.3. The existing regulations and circulars impose a lot of prescriptions on AMCs/Mutual Funds for compliance e.g. mandatory disclosures in standard warnings, font size, time for audio visual display etc. AMCs have difficulties in complying with the stipulated, detailed and prescriptive norms on advertisements. It is felt that the overall principle of true, fair and meaningful disclosure to investors may not be achieved in circumstances when so many prescriptions are mandated.

2.1.4 In order to provide flexibility to AMCs in issuing true and fair advertisements with meaningful disclosure to investors, it is proposed that advertisement code and circulars issued under the MF Regulations may be amended and made principle based as far as possible.



¹ (Extracted from article written by Julia Black The Rise, Fall and Fate of Principles Based Regulation, July 2010)



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2.1.5 In order to make AMC's responsible & accountable for advertisements, if any misleading or incorrect advertisement is issued by AMC's, it is proposed that it shall attract strong deterrent action under the applicable provisions of SEBI Act and Regulations."

The preamble to amendment of Valuation guidelines state that "The various international practices on asset valuation of CIS/Mutual Funds were examined and it is observed that the fund values its portfolio securities and other assets at fair value, as determined in good faith by fund's Board of Directors. Further, the fund should ensure that there is a proper and disclosed basis for asset valuation and pricing. The details of the same are placed"

This move from RBR approach to PBR approach in advertisements for mutual funds will require all asset management companies/mutual funds to internally evolve operational guidelines to guide their compliance and marketing teams in drafting 'a compliant advertisement text'. It will not be surprising if individual AMC or all AMC's together rely on the old circulars and pre-amended advertisement guidelines to decide whether or not an advertisement text is complaint since the new advertisement code enunciates principles and not rules. For example, old code states what should be the minimum ingredients of a New Fund Offer advertisement. The new code requires that the advertisement should be complete, true and should not be misleading, etc. What is complete is to be determined by individual mutual fund. In the absence of help from regulation, it is possible that the industry will revert to the old code which

describes the minimum ingredients.

Culturally, Indian industry is used to prescriptive regulations and approval/permit orientation in compliance. It is necessary to assess whether the industry is matured enough to adapt to PBR; and Regulators also have to demonstrate their objectivity and promptness in enforcement of regulations. In the current ethical environment, it is skeptical to expect such objectivity. If the regulator is not prompt in taking enforcement action on opportunistic entities that exhibit behaviour not in congruence with regulatory objective, it may encourage every other entity to 'try until caught'. On the day deviant behaviour becomes the norm; regulator will have a tough time correcting the situation both administratively and politically.

Conclusion

"In practice, characterising a regulatory regime as rules based or principles based do not take us very far, descriptively or normatively. It is hard to classify any one regulatory regime as being either entirely rule based or entirely principles based; the better question is what is, and should be, the relative roles of each. Neither principles nor rules usually function particularly successfully without the other". Therefore, it is desirable that Regulators articulate the Principle while making broad rule based regulations and encourage regulated entities individually or collectively evolve and publish the micro rules that they would follow to achieve the "regulatory outcomes".



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Reference to Shome Committee Regarding Retrospective Amendments -

Hastily Conceived and Imperfectly Executed

Retrospective amendments to the direct tax laws are not new in India, but a regular feature of every Finance Act. However, in view of widespread criticisms, the present Government recently appointed a Committee to go into various aspects relating to retrospective amendments and in a short period the Committee has submitted its interim report. Major recommendations and the deficiencies thereof have been pinpointed in this article.

Since the decision of the Supreme Court in Vodafone's case and retrospective amendments made in the Income Tax Act, 1961 (Act) by the Finance Act, 2012, to counteract the court's decision, the justification of making such amendment is being debated vociferously. It is, *prima-facie*, surprising that though the practice of making retrospective amendments to the Act has been in vogue since umpteen years in India and in other countries and the country's taxpayers have suffered the *ignominy* of such laws, the issue has

suddenly come up in a big way because a foreign-based company becomes liable to huge tax demands consequent to such amendments.

Retrospective amendments have been made by various Finance Ministers in the past (including S/Shri Manmohan Singh and P. Chidambaram) whose brunt had to be borne by the lower and middle income taxpayers in the country because these constitute nearly 90 to 95% of the total taxpayers. But acute anxiety for such amendments had never been shown in this matter in the past.

WHAT IS RETROSPECTIVE AMENDMENT ?

As per section 3(13) of the General Clauses Act, the term 'commencement' used in the context of an Act, passed by Parliament, means the day on which the Act becomes enforceable. Unless provided otherwise, a Central Act comes into

* Former Chairman, Central Board of Direct Taxes and Special Secretary, Ministry of Finance.



operation on the day it receives the Presidential assent and is construed as coming into operation immediately on the expiration of the day preceding its commencement. This, if a Central Act is assented to by the President on 1st of January [say at 1.00 p.m.], it would be construed to have come into operation the midnight between 31st July and 1st January. However, many a times, the Acts passed or some provisions of the same are made to operate retrospectively. The laws relating to crimes (like Indian Penal Code) cannot be made to operate retrospectively.

In simple words, 'retrospective' implies looking back, contemplating what is past, one, which is made to affect acts or facts occurring or rights occurring, before it came into force. Every statute, which takes away or impairs vested rights acquired under existing laws, or creates a new obligation, imposes a new duty, or attaches a new disability in respect to transactions or considerations already past. Retroactive statute means a statute, which creates a new obligation on transactions or considerations already past or destroys or impairs vested right (*Darshan Singh v. Ram Pal Singh*, AIR 1991 SC 1654).

In general, the courts regard as retrospective any statute, which operates on cases or facts coming into existence before its commencement in the sense that it affects, even if for the future only, the character or consequences of transactions previously entered into or of other past conduct (Volume 44 Halsbury's Laws of England, Fourth Edition, page 570, para 921).

Differently speaking, retrospective law means a law, which looks backward or contemplates the past, one which is made to affect acts or facts occurring or rights occurring, before it came into force.

It has been held by the Apex Court that retrospective laws do not affect settled rights [*Govinddas v. ITO* (1973) 103 ITR 123 (SC)]. This position has also been accepted by FM in the context of section 14A, which was inserted in the Act by the Finance Act, 2001 w.e.f. 01.04.62, but whose application was later restricted by the Finance Act, 2002 by addition of a proviso to the effect that the retrospective amendments will not enable the I.T. Dept. to re-open or rectify assessments for any A.Y. before 1st April, 2001 - the date from which new law was to apply.

RETROSPECTIVE AMENDMENTS PROPER SAFEGUARDS

The retrospective amendments have been made by FM, Shri Pranab Mukherjee, with his long seasoned experience with proper safeguards. In his opening speech in Parliament on Finance Bill, 2012, he announced the following commitments:-

- Clarificatory amendments will not override DTAA's or double taxation avoidance agreement that India has with other countries
- Retrospective clarification will impact cases, where the

Retrospective law means a law, which looks backward or contemplates the past, one which is made to affect acts or facts occurring or rights occurring, before it came into force.

transaction has been routed through low tax or no tax countries, with whom India doesn't have a DTAA

- The retrospective clarificatory amendments will also not be used to reopen any cases, where assessment orders have been finalized. Shri Pranab Mukherjee had asked the CBDT to issue a policy circular to clearly state this position after the passage of the Finance Bill

PM's (AS FM) REACTION

After the election of Shri Mukherjee as the President of India, the FM's charge was assumed by Shri Manmohan Singh, PM. Though he did not object to such proposals during Shri Mukherjee's tenure as FM, when Finance Act, 2012 was discussed and passed, he developed serious misgivings to retrospective amendments after his taking over the charge of the Finance Ministry and decided to get the same examined by a Committee, headed by Shri Parthasarathi Shome (earlier Advisor to FM, Shri Chidambaram), which was earlier appointed by him and was examining the issues concerning GAAR, by his office Note dated 30.07.12, stating that 'the applicability of the amendment on taxation of non-resident transfer of assets, where the underlying asset is in India, in the context of non-resident taxpayers', be examined. The Committee, within a period of 9 weeks (on 09.10.12) gave a report (calling it 'interim') on the entire issue of retrospective amendments, though its mandate was limited to examination of such amendments only in respect of non-residents in situations, where the underlying asset is in India. *Prima-facie*, the Committee has exceeded its brief in giving its report on retrospective amendments.

SHOME COMMITTEE'S REPORT - MAJOR RECOMMENDATIONS

The Report says that retrospective application of tax law should be applied only to correct apparent mistakes / anomalies in the Act; to remove technical defects, particularly in procedures that had vitiated the substantive law; to protect the tax base from highly-abusive tax-planning schemes and not to 'expand' the tax base. It emphasized that retrospective amendments to tax laws can be made only in the rarest-of-rare cases and cannot be made for expanding the tax base. Also, such amendments should be made only after exhaustive and transparent consultations with the taxpayers, who would be impacted by it.



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Reference to Shome Committee Regarding Retrospective Amendments - Hastily Conceived and Imperfectly Executed

The Committee has objection to the retrospective amendments in the fourth category only i.e. those relating to expansion of tax base.

The Committee has imported the phrase 'rarest-of-rare' cases, which has been used by the Supreme Court and High Courts in the context of 'death penalties' in Criminal law, to which branch of law retrospective amendments cannot be made. The courts have mentioned the standards, which are to be taken into account to bring cases within this phrase.

The need for using this phrase in the context of I.T. law seems to be misconceived. In any case, the Committee should have laid down the guidelines, to be taken into account, for determining as to which situations can fall in the category of 'rarest-of-rare' cases. Regrettably, the Committee has not done so.

No person should be treated as assessee in default under section 201 of the Act, or a representative assessee of a non-resident, in respect of a transaction of transfer of shares of a foreign company having underlying assets in India and where gains arising on such transfer is taxable in India on account of retrospective amendments carried out through Finance Act, 2012.

JUSTIFICATION FOR RECOMMENDATIONS

In several countries, there is constitutional or statutory protection against retrospective application. Countries such as Brazil, Greece, Mexico, Mozambique, Paraguay, Peru, Venezuela, Romania, Russia, Slovenia and Sweden have explicitly banned retrospective taxation.

The provisions quoted from the different countries' laws read as under:-

- Article 78(2) - Greece: A tax may not be imposed by a retroactive statute
- Article 201 - Mozambique: Law may only be retroactive when this is to the benefit of citizens and other legal persons
- Article 57 - Russia: Laws, introducing new taxes or deteriorating the position of taxpayers, may not have retroactive effect

IMPERFECTIONS IN THE REPORT

The Report, having been hurriedly prepared without any wide-scale deliberations/discussions, suffers from various deficiencies. Some of these are:-

- [i] There cannot be a clear-cut differentiation of retrospective amendments in 4 categories, as conceived by the

Committee. There could be overlapping. Further, who will be the deciding authority and as to in which categories various retrospective amendments fall?

- [ii] The Committee has raised objection regarding retrospective amendments to 'expanding the tax bases', but has not said anything about increasing the tax rates retrospectively. This would be a worst scenario *vis-à-vis* expansion of tax base.
- [iia] An example of increasing the tax rate retrospectively is provided by section 115A of the Income-tax Act with the heading 'Tax on short-term capital gains'. The proviso to this section, inserted by the Finance (No.2) Act of 2004 (w.e.f. 01.04.05) provided for tax @5% on short-term capital gains. This has been increased to 10% & 15% respectively on sale of equity shares/unit, which attract STT. The increase to 15% from 10% was made by the Finance Act, 2012 retrospectively from 01.04.09.

The Report is silent on such situations.

- [iii] The Committee's recommendations, if accepted, would limit Parliament's power for amendment of Direct Tax laws, for which there is no prohibition in the Constitution of India. Hence, for implementing the Committee's recommendations, the Constitution of India will need amendment.
- [iv] If the examples of the countries mentioned in the Report are to be followed, the Constitution will have to provide for a ban on retrospective amendments, which can only be total. In that situation, the four fold categorization given by the Committee cannot be implemented. Incorporating the four fold categorization in the Constitution, obviously, is not possible. Hence, the recommendations given become irrelevant.
- [v] Consultation with stakeholders concerning retrospective amendments is an impractical suggestion, which is incapable of implementation. Firstly, this suggestion rules out such amendments through Finance Acts considering the secrecy that is being maintained by the Govt. concerning budget proposals. Further, the suggestion is *prima-facie*, against human nature. No one is likely to agree to retrospective amendments, which are likely to hurt him.
- [vi] The suggestions made by the Committee would even render nugatory the prospective taxation.

The Committee wants future transactions routed through tax jurisdictions, with whom India has double taxation avoidance agreements (DTAAs) not to be liable to tax like capital gains tax unless there is specific provision for such tax in India in the relevant tax treaty. This view, if accepted, would make even the prospective taxation ineffective and redundant unless the provisions in tax treaties, like with Mauritius, are amended. The



Committee's love for Mauritius, as evidenced from GAAR Report, will not allow this to happen. Hence, in respect of certain gains, there will neither be retrospective nor prospective taxation. These will have to go tax-free.

THE REPORT IS THEORETICAL, ACADEMIC AND DOCTRINAL IN APPROACH - NOT BACKED BY ANY EMPIRICAL STUDIES

As stated earlier, the Committee has not given any estimate as to what would be the tax impact i.e. positive or negative effect in monetary terms of its recommendations. According to a report in Business Standard Paper of 10.10.12, the Govt. may take a hit of Rs.40,000 crores if it accepts the recommendations of the Shome Committee to apply amendments prospectively. Another report in the Economic Times of 24.10.12 has also estimated tax impact (revenue loss) consequent to acceptance of the Committee's report. The estimates are:-

- Rs.1,00,000 crores (according to papers' estimate) will be the I.T. Dept.'s loss if Committee's suggestion on making retrospective amendments from the current year is accepted.
- Rs.35,000-45,000 crores tax loss by the Finance Ministry has been estimated because of acceptance of the Committee's report.

The Committee has not indicated as to what would be the gain to the country by annulling retrospective amendments. Only there is expectation that more foreign investment will flow because of this, though no study of any kind has been made in this direction.

In the write-up in the Economic Times, the concern of the I.T. Dept. towards the recommendations of the Committee has also been mentioned. The report shows that the tax authorities are likely to oppose most of the conclusions of two panels, both headed by tax expert Parthasarathi Shome, on the ground that the Govt. would suffer loss of revenues.

According to the Paper, acceptance of the recommendations of the Committee would lead to 'refund of hundreds of crores that have been collected as tax on indirect transfers at various stages of litigation'. After the acceptance of the recommendations and *status-quo* being restored by the Dept. in completed and pending proceedings, it will have to say that it has no case.

The Govt. is reported to have told the Rajya Sabha earlier this year that the Govt. could raise Rs.35,000-40,000 crores from this change in the law in the current year itself.

Mr.Govind Rao of IIPFP has expressed his misgivings saying -

"You can't abolish tax to curb tax evasion.... To me, it's like



throwing the baby and retaining the bath water... GAAR is an instrument to tackle tax compliance... Fear of getting caught is more important than getting caught for compliance,".

An Expert Committee suggesting doing away with retrospective amendments is expected to have done extensive studies, including that relevant to financial implications, practices prevalent in other countries, where such enactments are still in vogue, how those countries (not only quoting the laws of countries, where such amendments are barred by their Constitutions) have dealt with the problems relating to retrospective amendments and in what form it can be continued in the Indian context and other connected aspects, including those relating to tax base. Wide open discussions should have been made with stakeholders. Regretfully, only few stakeholders have been consulted within the limited time available and the report, to say with utmost respect to the Committee, has been prepared in a summary way without deep studies to support the conclusions reached. This has been, perhaps, because of pressure on the Committee to give its report hurriedly. The hurry to deal with retrospective amendments is apparent from Shri Chidambaram's statement appearing in the Business Line of 09.10.12, where he has said that the UPA Govt. will not wait for the Budget session of Parliament for making retrospective amendments to the Income-tax law, if its final view requires legislative changes. It may be mentioned that the final report of the Committee is yet to be received.

MID-TERM AMENDMENTS

The problem relating to retrospective amendments also raises issue regarding the mid-term withdrawal of exemptions, deductions and other tax benefits, which are there in the I.T. Act, but which the Govt. desires to withdraw midway by prospective amendments. This was done in the past. An illustration of such withdrawal relates to Investment Allowance about which Late Shri N.A. Palkhiwala had expressed his anguish saying -

"..is there much to choose between a tax-evading citizen and a promise-evading Govt.?"



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The recent instance of this nature relates to provision concerning SEZ Developers. The immunity from minimum alternative tax that was earlier available to SEZ developers and units in SEZs was withdrawn from 01.04.12.

Such decisions too raise the issues regarding propriety and fairness and create almost the same impact as retrospective amendments as such amendments too affect the business planning done by taxpayers in regard to their production schedules, cash-flow, etc. These should be as objectionable as retrospective amendments. Can the Govt. give assurance that it will not resort to such amendments also?

SUMMING UP

Expert Groups are constituted to study the problematic aspects referred to them, on which Govt. is not able to take firm decision for being studied in great detail from all aspects. For this, there has to be clarity in the Govt.'s thinking on Policy lines as to what are objections to the law such as that enacted by the Finance Act, 2012, what is sought to be achieved in the context of retrospective amendments introduced by this Act, what should be realistic time limit within which the Committee should finalise its suggestions in the background of existing conditions and the impact of the new legislation on existing economic, social and political scenario.

The Committee, on its part, need to do a perfect and sincere job—not merely trying to adhere to the time limit given to it, conduct its work with completeness and transparency on the basis of discussion with the taxpayers, tax experts. Economists, fiscal experts, etc. Obviously, this cannot be possible in just few weeks



time and the Committee, instead of rushing through the work to meet the time limit set by the Govt., should be bold enough to say that the exercise cannot be completed in the short time given, assess the time required to complete the study and inform the Govt. about the same. When a study is entrusted to an Expert Body, it has to do a thorough exercise and not give summary reports in short times to provide alibis to the Govt. to implement its pre-set decisions.

CONCLUDING COMMENTS

The main object of withdrawing retrospective amendments, as suggested by the Committee, is to protect the Investors' interest especially from the foreign countries. However, it needs to be appreciated that merely bringing changes on the Income-tax front only cannot be a solution to this problem. In the World-IFC Study on 'Doing Business, 2013', it has been said that it is tough doing business in India. In this report, 185 nations have been covered and India's rank is 132nd in terms of ease of doing business. Regretfully, India trails even behind Sri Lanka, Bangladesh, Pakistan and Nepal. India's ranking has dipped in several key areas even *vis-à-vis* last year's report. Person, trying to do business in India, has still to struggle with various regulations, despite dispensation of licences, problems relating to land acquisition, power, labour, water, etc. Further, for a business to succeed, it needs other infrastructure besides land, electricity and communications. Land acquisition rules in many respects still need substantial revamp. Outmoded labour laws and non-availability of skilled employees too are serious concerns. Therefore, a comprehensive approach for soliciting foreign investment is necessary - not merely withdrawal of retrospective amendments. The problem needs to be tackled in a coordinated manner and not by a short-term study on retrospective income-tax amendments by a Committee, giving its report in 9 weeks' time.

However, the Govt. needs to be fair in situations of retrospective amendments. Where extra tax demand results because of such amendments, there should be no levy of interest for non-payment of advance tax and under sections 234A, 234B & 234C of the Act and also no penalties be imposed in such cases.



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Human Rights Violations by Companies in India

In the context of the industrial disasters like the Bhopal gas tragedy and frauds by companies like the Satyam scam, the new law regulating companies must contain comprehensive provisions to deal with all facets of human rights violations so that every man, woman and child is able to have a peaceful life.

Human rights stem from the dignity and worth inherent in a human being. Human rights and fundamental freedom have been reiterated in Universal Declaration of Human Rights and in the sacrosanct Constitution of India. There is no denying the fact that democracy, development and respect for human rights and fundamental freedoms are inter-dependent and have mutual reinforcement.

Section 2(d) of Protection of Human Rights Act, 1993 defines human rights to mean 'the rights relating to life, liberty, equality and dignity of the individual guaranteed by the Constitution and embodied in the International Covenants and enforceable by courts in India.' Kofi Annan, the then UN Secretary General had stated, "Human rights are what reason requires and conscience demands. They are us and we are them. Human rights are rights that any person has as a human being. We are all human beings; we are all

deserving of human rights. One cannot be true without the other." Darren O' Byrne talks of three generations of human rights - civil and political rights (first generation rights), economic, social and cultural rights (second-generation rights) and collective and land rights (third-generation rights). To protect human rights is to ensure that people receive some degree of decent, humane treatment. To violate the most basic human rights, on the other hand, is to deny individuals their fundamental moral entitlements. It is, in a sense, to treat them as if they are less than human and undeserving of respect and dignity.

Human rights abuses have been around for many centuries and history is littered with innumerable examples. And in the business world, there are instances galore where companies have indulged in unabashed abridgement and trampling of human rights of the people. And in most cases, these offending companies have evaded the law of the land for various reasons. Following is an illustrative list of human rights violations by companies in India or Indian subsidiaries of foreign companies or joint venture enterprises.



Articles

Human Rights Violations by Companies in India



Coca Cola Plant in village Placimada (Distt. Palakkad-Kerala)

Coca Cola set up a bottling plant in village Placimada (Distt. Palakkad-Kerala) in 2000 and began extracting 1.5 million liters of deep well water which it bottled and sold under the names of Dasani and Bontequa. The groundwater was severely depleted affecting thousands of communities with water shortages and destroying agricultural activity. As a result, the remaining water became contaminated with high chloride and bacteria levels leading to scabs, eye problems and stomach aches in the local population. The company was also guilty of reselling its plants industrial waste to farmers as fertilizers despite its continuing hazardous lead and cadmium. Upon the petition, filed by the aggrieved party, the single judge of the Kerala High Court restrained the company from extracting further groundwater through the wells on its land. The decision was however reversed by a Division bench. The aggrieved party has now appealed to Supreme Court where the case is pending.

Bhopal Gas Tragedy

Described as the worst disaster, methyl isocyanate, a deadly gas, escaped from the Union Carbide (India) Ltd. plant at Bhopal (Dec 3, 1984) into the neighborhood and beyond. Thousands of people were left severely disabled of whom 22,000 have since died of injuries. The disaster killed 3000 animals and has polluted water resources besides causing environmental degradation. It is said that even now, danger is posed by the continued storage of the offending chemicals in vats, hardly guarded in the premises of the factory.

Shriram Foods and Fertilisers, New Delhi

Shriram Foods and Fertilisers Industries, subsidiary of Delhi Cloth and General Mills Ltd., had several units engaged in the manufacture of caustic soda, chlorine, hydrochloric acid, stable bleaching powder, super phosphate, vanaspati, soap, sulphuric acid, alum anhydrous sodium sulphate, high test hypochlorite. All units were set up in a single complex and surrounded by thickly populated residential colonies in the heart of Delhi. On December 4 and December 6, 1985 a major leakage of oleum gas took place from one of the units which resulted in the death of several persons. On Dec 6 itself, the District Magistrate directed that the establishment should cease carrying on the occupation of manufacturing and processing hazardous and lethal chemicals and gases.

Bichhri Village (Rajasthan) case

Bichhri is a small village in Udaipur Distt. of Rajasthan. To its north is a major industrial establishment Hindustan Zinc Limited, a public sector concern. Sometime in 1987, Hindustan Agro Chemicals Ltd. started producing certain chemicals like oleum and single super phosphate. A sister concern Silver Chemicals commenced production of 'H' acid in a plant located in the same complex. Jyoti Chemicals is another unit established to produce 'H' acid. All the units were located in the complex within the limits of Bichhri village. The toxic untreated waste waters were allowed to flow out freely. The untreated toxic sludge was thrown in the open in and around the complex. The toxic substances percolated deep into the bowls of the earth polluting the acquifers and the sub terranean supply of water. The water in the wells and the streams turned dark and dirty rendering it unfit for human consumption. It also became unfit for cattle to drink



and for irrigating the land. The soil became polluted rendering it unfit for cultivation. It spread disease, death and disaster in the village and surrounding areas. Besides damage to the crops and the land, it led to the psychological and mental torture of the villagers.

Nakkavagu case

Patancheru industrial area (Medak district - Andhra Pradesh) comprises Patancheru, Bollaram, Pashamylaram, Khazipalli, Gaddapotharam, Bonthapalli and the Chitkul industrial clusters which are located in the Nakkavagu basin. Majority of the industries in the basin are bulk-drug or pharmaceutical industries. The use of tones of organic and inorganic chemical compounds used as raw material is hazardous to the life of the people in the basin. The high temperature conditions and evaporation rates have resulted in the increase of concentration of the pollutants in the effluents. Salt incrustations in the soils adjacent to Nakkavagu have become common affecting the growth of flora in the region. Many villages are facing problem of drinking water. The impact assessment studies have indicated considerable adverse impact on the environment.

Pollution by tanneries in Tamil Nadu

Tanneries and other industries discharge untreated effluents into agricultural fields, road sides, water ways and open lands in the state of Tamil Nadu. The untreated effluents were finally discharged in the river Palar which was the main source of water supply to the residents of the area. The entire surface and sub-soil water of the river was polluted resulting in non-availability of potable water to the residents. Due to the operation of these tanneries, environmental degradation has been caused. A survey by Tamil Nadu Agricultural University Research Centre, Vellore revealed that nearly 35,000 hectares of agricultural land in the tanneries belt had turned out partially or totally unfit for cultivation. The effluents had also spoiled physio-chemical properties of the soil and contaminated groundwater by percolation. An independent survey found that 350 wells out of 467 used for drinking and irrigation purposes were polluted.

Dabhol Power Project Case

In May 1992, India invited Enron Corporation to explore the possibilities of building a large power plant in Maharashtra. In December 1993, Maharashtra State Electricity Board signed an agreement with Dabhol Power Corporation (DBC). It was a company based in Maharashtra formed to manage and operate the Dabhol power plant. The plant was built through the combined effort of Enron, G.E. and Bechtel. GE provided the generating turbines to Dabhol, Bechtel constructed the physical plant and Enron was charged with managing the project through Enron International. The plant was to be constructed in two phases. In May 1995, hundreds of villagers swarmed over the site and a riot broke out. The security forces guarding Dabhol for

Enron were charged with human rights abuses and Enron for being complicit. On August 3, 1995, Maharashtra Govt. ordered the project to be halted because of *inter alia*, lack of transparency and environmental hazards. The first phase went on line in May 1999. Enron went bankrupt in 2005 and the plant was taken over by Ratnagiri Gas and Power Private Limited in July 2005.

There were human rights abuses allegations galore. The power plant had unfairly acquired villagers lands and had diverted scarce water for its needs. The problem of water diversion became severe in 1996-97. It was further compounded by severe contamination of potable water due to untreated sewage being dumped into the water. The villagers' legitimate concerns for their livelihood and environment were ignored or dismissed. The water which contained toxic effluents were likely to raise the temperature of the water and cause pollution which could kill fish and prawns. In essence, the Dabhol power project was found to be approved without adequate study of economic, environmental and social concerns and consequences.

In re Bhavani River - Sakthi Sugar Ltd. Case

Sakthi Sugars Limited was operating without caring for the grave environmental consequences. The seepage of the effluent from Lagoon C joined the drain and ultimately reached Bhavani river polluting river water. A writ petition was filed against the company. The affidavit filed by TN Pollution Board (Jan 1998) contained directions (under Section 33-A of the Water Act, 1974) aimed at ensuring proper storage of effluents in lagoons and for proper treatment and disposal of the treated effluents. The Supreme Court in its judgement (July 30, 1998) stated that the Division Bench of the Madras High Court had failed to appreciate the true significance of the matter regarding the need to arrest the unabated pollution which had become a health hazard and environmental enemy because of the discharge of objectionable effluents from the distillery into Bhavani River and adjoining areas.

Besides the above illustrative list, there are various other instances of human rights violations by companies in the country some of which are listed below:

- i) Imbalances of ecology and hazard of healthy environment due to working of lime-stone quarries (Rural Litigation and Entitlement Kendra, Dehradun AIR 1985 SC 652).
- ii) Reckless discharge of untreated sewage in river Ganga by a riparian owner (*MC Mehta v. Union of India* AIR 1988 SC1115).
- iii) drinking water problems and salination of ground-water, the denudation of mangrove areas and loss of agricultural land besides several social problems viz., denial of free access



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to fishermen, denial of job opportunities, social displacement, reduction in grazing ground of cattle, free access to creek/estuarine water due to commercial shrimp farming in Chilka region (*S. Jagannath v. Union of India* AIR 1997 SC 811).

- iv) pollution by the foundries in Agra and threat to Taj Mahal (*MC Mehta v. Union of India* AIR 1999 SC 734).
- v) environmental and ecological issues due to construction of Span Hotels Pvt. Ltd. on Beas River (*MC Mehta v. Kamal Nath* AIR 2002 SC 1515).
- vi) environmental and health-related problems due to unregulated abattoirs (Akhil Bharat Goseva Sangh (3) 2006 (4) SCC 162).
- vii) discharge of effluents from their respective factories causing serious pollution and public nuisance (*State of MP v. Kedia Leather and Liquor Ltd.*, AIR 2003 SC 3236)
- viii) environmental damage and human rights violations of the tribals of Lanjigarh in Distt. Kalahandi, one of the poorest districts of Orissa due to ecological and environmental impacts (*Vedanta Aluminium Ltd. v. Union of India*), AIR (1986) SC180

The International Commission of Jurists* has prepared a very comprehensive 104 page report (Geneva, 2011) on human rights abuses involving corporations in India. In the part relating to legal liability for corporations under Indian law, the report has reviewed various laws that might be relied upon by victims to make companies accountable for human rights abuses as under:

(i) International Human Rights Law

India has acceded or ratified a number of international human rights instruments that have direct or indirect relevance to human rights responsibilities. However, the government has entered substantive reservations to many of these instruments thereby diluting the effect of its treaty obligations. But the Supreme Court has played an active role in implementing international human rights obligations. In *Vishaka v. State of Rajasthan*, the Supreme Court observed,

"Any international conventions not inconsistent with the fundamental rights and in harmony with its spirit must be read into these provisions to enlarge the meaning and content thereof, to promote the object of the constitutional guarantee."¹

* The International Commission of Jurists (ICJ) is a non-governmental organization devoted to promoting the understanding and observance of the law and the legal protection of human rights throughout the world. It is headquartered in Geneva, Switzerland, and has many national Sections and affiliated organizations. It enjoys consultative status in the United Nations Economic and Social Council, UNESCO, the Council of Europe and the African Union. The ICJ maintains cooperative relations with various bodies of the Organization of American States.

¹ AIR 1997 SC 3011

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(ii) Constitutional Law

The Constitution of India sets out a comprehensive list of Fundamental Rights (Articles 12 - 35). Special mention needs to be made of Article 21 which provides that "no person shall be deprived of his life or personal liberty except according to the procedure established by law". The Supreme Court has in various judgments widened the scope of 'life' to mean more than mere physical existence to live with human dignity and all that goes along with it including the rights to health, livelihood, free and compulsory education upto the age of 14, unpolluted environment, shelter, clean drinking water, privacy, legal aid, speedy trial. Article 21 has also been used to grant compensation for violations of fundamental rights.

The interpretation of Article 12 (which defines the term 'the State') by the Supreme Court is that the protection of all fundamental rights could be claimed against public companies while only those fundamental rights that expressly or by judicial interpretation apply horizontally may be claimed against private companies. Moreover, the current climate of liberalization and free market economy may not afford adequate protection of fundamental rights against private companies.

The Directive Principles of State Policy (Articles 36 - 51) which embody socio-economic rights are not enforceable by any court, but are "fundamental in the governance of the country and it shall be the duty of the State to apply these principles in making of laws" (Article 37). Technically, the Directive Principles cannot be employed directly against companies especially because they are non-justiciable. However, in some cases, the Supreme Court has observed that even private corporate actions would be subject to the mandate of Directive Principles.

(iii) Companies Act, 1956

The Companies Act, 1956 contains several provisions (Sections 63, 68, 162, 168, 207, 218, 232) that contemplate criminal



liability of companies and/or its relevant officers in various situations. But every offence under the Act is a non-cognizable offence. Moreover, Section 621 provides that "no court shall take cognizance of any offence against this Act, which is alleged to have been committed by any company or any officer thereof, except on the complaint in writing of the Registrar (of Companies), or of a shareholder of the company, or of a person authorized by the Central Government in that behalf."

Thus, the Company law framework as at present does not offer much hope for victims of human rights abuses. The Corporate Social Responsibility Voluntary Guidelines issued by Ministry for Corporate Affairs (December 2009) lay down the following as a fundamental principle,

"Each business entity should formulate a CSR policy to guide its strategic planning and provide a road map for its CSR initiatives, which should be an integral part of overall business policy and aligned with its business goals. The policy should be framed with the participation of various level executives and should be approved by the Board."²

The Guidelines further provide that the CSR policy should cover issues such as care for all stakeholders, ethical functioning, respect for workers' rights, human rights and their environment, and activities to promote social and inclusive development.

The revised Companies Bill, is likely to be introduced in the monsoon session (July 2012). The Parliamentary Standing Committee on Finance has recommended that corporate social responsibility be made mandatory. It has recommended that

companies with net worth above Rs.500 crore or an equivalent turnover of over Rs.1000 crore must earmark 2% of average net profits of three years towards CSR. If the report is passed, it would be the first time in the world that CSR would not be a voluntary issue but incorporated in law making it mandatory (The Economic Times - June 13, 2012).

(iv) Criminal Law

The Indian Penal Code, 1860 is the main corpus of criminal law. Section 2 provides that every person shall be liable to punishment under this Code and not otherwise for every act of omission contrary to the provisions thereof of which he should be guilty within India. Section 11 defines 'person' to include any company or association of body of persons, whether incorporated or not. The question whether a corporate body should or should not be liable for criminal actions, resulting from the acts of some individual, must depend upon the nature of the offence, the relative position of the office or agent *vis-à-vis* the corporate body and other relevant facts and circumstances which should show that the corporate body, as such, meant or intended to commit such act. The Supreme Court in *Standard Chartered Bank v. Directorate of Enforcement*³ held that a company cannot avoid criminal liability merely on the ground that the mandatory punishment provided for a given offence is both 'imprisonment and fine'. In such cases, the term "and" should be construed as "or" and the company should be punished with a fine. Justice Balakrishnan observed,

"The corporate bodies, such as a firm or a company, undertake a series of activities that affect the life, liberty and property of the citizens. Large-scale financial irregularities are done by various corporations. The corporate vehicle now occupies such a large portion of the industrial, commercial and sociological sectors that amenability of the corporation to a criminal law is essential to have a peaceful society with stable economy."

This legal position was reaffirmed by Supreme Court in *Iridium India Telecom Ltd. v. Motorola Incorporated*.⁴

The courts in India try to identify the officers who acted as the controlling or directing mind of the company at the relevant time. In *U.P. Pollution Control Board v. Modi Distillery*⁵, the Supreme Court held that the Managing Director, Directors and other persons responsible for the company's conduct could be prosecuted even if, due to a technicality, the company was not prosecuted. The court reasoned that it would be a travesty of justice if a big business entity were allowed to defeat the prosecution launched and avoid facing the trial on a technical flaw which is not curable.

³ (2005) 4 SCC 530 at p 550

⁴ Criminal Appeal No.688 of 2005

⁵ (1987) 3 SCR 798



² Ministry of Corporate Affairs Guidelines Dec. 2009



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(v) Law of Torts

The ICJ report observes that tort law has proven all over the world to be the strongest basis for suits against companies for a range of human rights violations. And the companies can be held liable for torts committed by their agents or servants and a foreign parent company may be held liable for a tort committed by its Indian subsidiary by piercing the corporate veil {*Union Carbide Corporation v. Union of India*, (1988)MPLJ540

The Supreme Court has over the years evolved the concept of 'constitutional torts' whereby it treats harm to life and liberty as a violation of fundamental rights enumerated in the Constitution and awards compensation for such wrongful acts. And secondly, the *M.C. Mehta v. Union of India*⁶ developed the absolute liability principle. The Court reasoned that the 19th century *Rylands v. Fletcher* principle of strict liability was not suitable to meet the needs of a modern industrial society when it observed,

"An enterprise which is engaged in a hazardous or inherently dangerous industry which poses a potential threat to the health and safety of the persons working in the factory and residing in the surrounding areas owes an absolute and non-delegatable duty to the community to ensure that no harm results to anyone... "The enterprise must be absolutely liable to compensate for such harm and it should be no answer for the enterprise to say that it had taken all reasonable care and that the harm occurred without any negligence on its part."

(vi) Environmental laws

Though there were laws relating to wild life protection, forest conservation and prevention and control of water pollution and air pollution, the Bhopal Gas tragedy (December 1984) triggered the enactment of a stringent and comprehensive Environment (Protection) Act, 1986. Section 16 dealing with companies states that where an offence under the Act has been committed by a company, every person who, at the time the offence was committed, was directly in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly. The section also deals with individual liability of corporate officials and stipulates that when an offence is committed by a company and it is proved that the offence has been committed with the consent and connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such corporate official shall also be deemed to be guilty of the offence.

The Public Liability Insurance Act, 1991 aims to provide immediate relief to persons affected by accidents occurring while handling hazardous substance and for matters connected



therewith or incidental thereto. Section 3 provides that where death or injury to any person (other than a workman), or damage to any property has resulted from an accident, the owner shall be liable to give the specified compensation. It further provides that the claimants are not required to plead and establish that the death, injury or damage was due to any wrongful act, neglect or default of any person.

The ICJ further observes that environmental jurisprudence has been greatly enriched by judicial evolution. Firstly, the Supreme Court has held (*M.C. Mehta v. Kamal Nath*)⁷ that the ancient Roman doctrine of 'public trust' is part of Indian law - while quashing the permission/lease granted to the company in question to set up a motel and ordering it to pay compensation by way of cost for the restitution of the environment and ecology of the area, it held that the State as a trustee is under a legal duty to protect the natural resources and that these resources meant for public use cannot be converted into private ownership. Secondly, there was the evolution of the principle of "the polluter pays" (*Indian Council for Enviro-Legal Action v. Union of India*⁸ where the Supreme Court ruled that the responsibility for repairing the damage is that of the offending industry) and "precautionary principle" (*Vellore Citizens Welfare Forum v. Union of India*⁹ wherein the Supreme Court outlined that environmental measures by the government and other authorities must anticipate and counter the causes of environmental degradation, and that where there are threats of serious and irreversible damage. Lack of scientific certainty should not be used as the reason for postponing measures to prevent environmental degradation and that the onus of proof is on the actor or the developer to show that his action is environmentally benign.

(vii) Workers' Welfare laws

A good number of labour and industrial laws have the avowed

⁶ AIR 1987 SC 1086

⁷ (1998) 1 Sec 388

⁸ (1996) 3 SCC 212

⁹ AIR (1996) SC 2715



objective of protecting a wide range of interests of workers and to shield them from exploitation by employers. Particular mention needs to be made of Bonded Labour Abolition Act, 1976 which seeks to abolish the bonded labour system with a view to preventing the economic and physical exploitation of vulnerable sections of society. Section 4 (2) provides that no person shall compel any person to render any bonded labour or other forms of forced labour. It is worth mentioning here that the Census 2001 put the figure of 1.26 crores of working children in the age group of 5-14 of which 12 lakh children working in hazardous occupations and processes. Further, the 1987 amendment of Factories Act, 1948 makes directors personally responsible for the health and safety of factory workers.

(viii) Land Acquisition Act

The Land Acquisition Act, 1894 places both substantive and procedural restrictions on the sovereign power of the government to acquire land from private parties. Moreover, Article 300A of the Constitution affords constitutional protection and land acquisition may be challenged, *inter alia*, on the ground that the compensation provided was illusory.

(ix) Information, technology and freedom of information

Section 65 (making publication of obscene information in electronic form an offence punishable) and Section 72 (relating to breach of confidentiality and privacy) of the Information Technology Act, 2000 may be relevant to holding companies accountable for human rights abuses. Section 85 provides that if a company contravenes any provision of the law, every person who, at the time the contravention was committed, was in charge of, and was responsible to, the company for the conduct of business of the company as well as the company, shall be guilty of the contravention.

The Right to Information Act, 2005 aims at enhancing transparency and accountability in governance. If public companies are alleged to be involved in human rights abuses, citizens can seek relevant information for both use inside and outside of courts as companies that are 'owned, controlled or substantially financed' by the government will be within the definition of 'public authority' under Section 2 (h) of the Act.

In a case where the Bombay Environmental Action Group (BEAG) asked for access to the investment contract relating to work to be done for the Mumbai Port Trust, the Central Information Commission (CIC) in its order (September 3, 2009) agreed with BEAG's contention that a public-private partnership agreement involving the nation's physical resources and in its infrastructure, which had critical environmental, social and human aspects, apart from its technical and financial aspects, could not be a matter between the bureaucracy of the government and the private party alone. The people of the country are entitled to know the truth about the PPP agreements, in general and in specific details.

AVAILABLE LEGAL REMEDIES FOR CORPORATION HUMAN RIGHTS ABUSES IN INDIA

The ICJ report in the second part has listed the following comprehensive list of the remedies:

(i) Damages and Injunctions

A company involved in human rights abuses is most commonly sued under tort law principles for damages or compensation. Compensation can also be sought under writ petitions filed under Article 32 or Article 226 of the Constitution, or under statutory provisions. Damages may be substantial (to compensate the victims) or exemplary (to have a deterrent effect). The Supreme Court in the Oleum Gas Leak case of *M.C. Mehta v. Union of India* observed that where a company was involved in hazardous or inherently dangerous activity, the compensation must be correlated to the magnitude and capacity of the enterprise because such compensation must have a deterrent effect. The larger and the more prosperous the enterprise, the greater must be the amount of compensation payable by it for the harm caused on account of an accident in carrying on of the hazardous or intensely dangerous activity by the enterprise.

Unfortunately, damages awarded in tort actions in India are rather low and do not have any deterrent effect. This was, as per the ICJ report, one of the reasons why the Government of India filed a suit against Union Carbide Corporation (UCC) before the US courts rather than in India.

The courts may in appropriate cases where award of damages will not provide an adequate remedy, grant the specific relief of an injunction against a company that is breaching rights of individuals and causing harm to the person or property. The Supreme Court and the High Court can also issue any directions or orders including injunctions while reviewing writ petitions under Articles 32 and 226 of the Constitution.

(ii) Criminal Sanctions

- a) Under Code of Criminal Procedure, 1973: Section 305 implies that companies can be prosecuted for crimes. Further, the courts may award compensation to victims under Section 357. By virtue of amendment of 2008, the victims shall have a right to prefer an appeal against any order passed by the court acquitting the accused or convicting for a lesser offence or imposing inadequate compensation (Section 378).
- b) Under Indian Penal Code, 1860: Section 53 provides for imposing fine and forfeiture of property on corporations.



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And Supreme Court has in *Standard Chartered Bank v. Directorate of Enforcement* held that companies can be prosecuted even for those offences for which the prescribed punishment is both imprisonment and fine.

- c) Under Factories Act, 1948: The Supreme Court has in *J.K. Industries Ltd. v. Chief Inspector of Factories and Boilers* (1996)6SCC665 held that the offences under the Act are strict statutory offences for which establishment of *mens rea* is not an essential ingredient. It added that where the company owns a factory, it is the company which is the occupier. It is the directors of the company who, in fact, control and determine the management of the company and are vicariously liable for commission of statutory offences.

(iii) Writ Petitions

In case of violation of fundamental rights, the aggrieved party may approach the Supreme Court or a High Court for redress and the Court shall have power to issue directions or orders or writs, including writs in the nature of *habeas corpus*, *mandamus*, *prohibition*, *quo warranto*, and *certiorari*, whichever may be appropriate, for the enforcement of any of the rights. The Supreme Court in *Oleum Gas Leak Case (M.C. Mehta v. Union of India)* held that the power of the Court to grant such remedial relief may include the power to award compensation in appropriate cases.

In various decisions, the Supreme Court has given diverse kinds of directions on a wide range of matters - from release and rehabilitation of bonded laborers to workplace sexual harassment of women and measures controlling pollution of the Ganges River.

(iv) Public Interest Litigation (PIL)

The Supreme Court in *S.P. Gupta v. Union of India* (1981) Supp SCC 87 observed,

"It may therefore now be taken as well-established that where a legal wrong or a legal injury is caused to a person or to a determinate class of persons by reason of violation of any constitutional or legal right..., any such person or determinate class of persons is by reason of poverty, helplessness or disability or socially or economically disadvantaged position, unable to approach the court for any relief, any member of the public can maintain an application for an appropriate direction, order or writ..."¹⁰

Through PILs, environmental lawyer M.C. Mehta and NGOs like Common Cause, Peoples' Union for Democratic Rights have been instrumental in bringing many issues like relocation of polluting industries out of Delhi, the protection of Taj Mahal from

polluting industries and the closure of polluting tanneries near the Ganges.

(v) Intervention by National Human Rights Commission

The NHRC set up under the Protection of Human Rights Act, 1993 has the power to inquire, *suo moto*, on a petition by a victim or an order of any court, into a complaint regarding a human rights violation and intervene in any proceeding involving any allegation of violation of human rights pending before a court.

The NHRC has intervened in some business and human rights matters in cases involving the employment of bonded labour by companies and sexual harassment at workplace. It also took cognizance of case related to large scale violence in protest against the acquisition of land to establish an SEZ in Nandigram (West Bengal). It may inquire into corporate human rights abuses on the request of a court.

(vi) Administrative Measures

Various statutes and regulations govern the functioning of companies. Remedial administrative measures can include cancellation of approvals and licenses. For example, the Environment Impact Assessment (introduced in 1994) imposes restrictions and prohibitions on the expansion and modernization of specified developmental or industrial projects unless environmental clearance has been accorded. In *Utkarsh Mandal v. Union of India*, the Delhi High Court quashed the environmental clearance after finding several procedural improprieties in the approval process. In Orissa, there were human rights violations and environmental pollution caused by mining and refinery operations of Vedanta. The Amnesty International report (February 2010) highlighted saying, "The companies involved in the mine and refinery projects have ignored community concerns, breached State and national regulatory frameworks and failed to adhere to accepted international standards and principles in relation to the human rights impact of business."

Vedanta adopted dubious means to abuse the judicial process. However, the government ultimately withdrew the permission.

In the third part, the ICJ talks of legal and procedural obstacles as under:

(1) Lack of laws and lax enforcement: There have been occasions when the courts had to issue guidelines to fill in legislative gaps in matters ranging from sexual harassment at workplace to bonded labour, arrest and detention procedure. The report quotes an extract from the case study on the legal implications of *Plachimada*

"It is quite strange that when the people of Plachimada (a village in Kerala) were fighting against the groundwater pollution and depletion, when various NGOs were publishing reports regarding the pollution and connected problems, the Kerala

¹⁰ (1981) Supp. SCC 210



The question whether a corporate body should or should not be liable for criminal actions, resulting from the acts of some individual, must depend upon the nature of the offence, the relative position of the office or agent *vis-à-vis* the corporate body and other relevant facts and circumstances which should show that the corporate body, as such, meant or intended to commit such act.

Ground Water (Control and Regulations) Act, 2002 was 'sleeping' (from 2002 to 2005) in the files. This shows the irresponsibility of the government."¹¹

Moreover, it was only in June 2010 that the Kerala Government decided to set up a special tribunal to assess the actual compensation due to every applicant and issue orders to the company for compliance.

(2) Absence of robust institutional mechanisms: The non-judicial or quasi-judicial mechanisms which can strengthen accountability, promote alternative dispute resolution, improve access to justice and remove judicial flaws are conspicuous by their absence. And the constitutional guarantees of prohibition against prohibition do not go far enough in redressing discrimination by non-State actors like companies.

(3) Corruption: The BBC News (November 19, 2010) stated that India has lost more than \$ 460 billion since independence because of companies and the rich illegally funneling their wealth overseas. The all-pervasive corruption in institutions that make, implement and adjudicate the law, can make companies influence the course of justice through their economic power and potential connections.

(4) Delay in judicial process: Reasons may be any - population and litigation explosion, insufficient resources and infrastructure, cumbersome court procedures, delaying tactics by lawyers, but judicial delays operate as obstacles in seeking justice. According to court news, at the end of November 2010, there were 54,644 cases pending before Supreme Court of which 35,206 were pending for more than one year. And at the end of December 2008, a total number of 3,874,090, cases were pending before different High Courts and 26,409,011 before lower courts.

(5) Ignorance of one's rights and indifference to rights of

others: Low levels of literacy, extensive poverty, lack of adequate awareness of others' rights, ignorance about available legal mechanisms and increasingly individualistic focus - all contribute to challenges to the realization of human rights.

(6) Expensive litigation, limited legal aid: The current court fees system (petitioners filing civil suits have to pay ad valorem court fees - a fee paid in proportion for the value of the claim made) discourages victims from suing or seeking adequate compensation from the company in mass tort cases. Though the Legal Services Authorities Act, 1987 provides (section 12) that every person (having a *prima facie* case to prosecute or to defend) who has to file or defend a case shall be entitled to legal services if he falls within the list of specified categories of people or has annual income less than Rs.12,000/- if the case is before the Supreme Court and less than Rs.9,000/- if the case is before other courts, it offers legal aid to very limited number of people.

(7) Undeveloped tort law and class actions to deal with mass torts: Mass torts and a multiplicity of victims pose both substantive and procedural problems that are not resolved by the traditional law of tort. Moreover, although the Indian law allows class action, this device has hardly been used in tort litigation.

(8) Difficulties in criminal prosecution of companies: Though the Companies Act, 1956 and other laws allow companies as well as its officers to be held criminally liable for specified wrongs, prosecuting and convicting companies and their officers is not easy. The Bhopal case demonstrates very clearly how difficult, time-consuming and resource-intensive the quest to impose criminal liability on a company can be. And it is all the more cumbersome when there is an attempt to prosecute a corporate officer living in a foreign country.

(9) Difficulties in piercing the corporate veil: It is not generally easy to convince the courts to pierce the corporate veil, especially when it becomes necessary to sue a parent company even though the actual violation might have resulted from the acts of its subsidiaries. It may be difficult for victims to ascertain which company of a corporate group actually took, or the subsidiary in question may lack the economic capacity to provide compensation (Bhopal Gas Leak case).

Very perturbing, in a recent development, a US court (June 28, 2012) has held that neither Union Carbide company (UCC) nor its Chairman Warren Anderson were liable for environmental remediation or pollution related claims at the firm's former chemical plant in Bhopal. It held that it was the Union Carbide (India) Ltd., and not its parent company (UCC) that was responsible for the generation and disposal of the waste that polluted drinking water and that the liability rests with the State Govt. It added that there is no evidence indicating that UCIL

¹¹ Sujith Koonan, Legal Implications of Placimada: A case study



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manufactured pesticides on UCC's behalf, entered into contracts or other business dealings on UCC's behalf or otherwise acted in UCC's name. (The Times of India - 29.6. 2012)

(10) Forum non-conveniens: It is a common law doctrine which permits courts to discuss cases on the basis that the balance of relevant interests weighs in favour of trial in a foreign forum. In the Bhopal case, the US Court was firmly convinced that the Indian legal system was in a far better position than the US courts to determine the cause of the tragic event and thereby fix liability. The dismissal of the suit from US courts was seen as a victory for UCC which was a major blow to victims' hopes of securing adequate compensation.

(11) Weak implementation of court judgments: Weak implementation of judicial orders arises mostly because of corruption, powerful actors whose interests are at stake, governmental indifference or institutional incapacity to implement orders. In the Bhopal case, victims' groups had to approach the Supreme Court to ensure that interim relief is provided, that compensation reaches rightful victims swiftly and efficiently and that the settlement money lying with the government is distributed to all victims on a *pro-rata* basis. And in *Bandhua Mukti Morcha v. Union of India* the Supreme Court observed,

"The State of Haryana, we must say, has not taken our intervention in the proper spirit and has failed to exercise appropriate control though some eight years back, this Court had in clear terms laid down the guidelines and had called upon the public authority to take charge of the situation and provide adequate safeguards."¹²

(12) Development-driven land acquisition: There has been considerable resistance for acquisition of land by the government for construction of dams on Narmada river, for Tata's car manufacturing unit in Singur (West Bengal) and for setting up Special Economic Zones to promote exports on the ground of human rights' violations of displaced persons.

(13) State-business nexus and the transformation of the State role: The protection of human rights may get adversely impacted if the State is too focused on creating and sustaining a pro-business and pro-investment environment. The government procuring agricultural land for companies (Nandigram), diluting labour and environmental laws in SEZs, not vigorously pursuing the extradition of corporate official guilty of a crime (Bhopal), letting a company extract unreasonable quantity of ground water (Plachimada), or granting a mining license to a company in total disregard of several laws and the interests of its own people (Vedanta) might impair the capacity of victims to hold companies

accountable. Moreover, the emergence of the State as a contracting party in public-private partnerships (PPPs) has changed relationships between the State, the corporations and the project-affected people.

(14) Privatization of formerly public functions: The privatization of functions that used to be administered by public bodies has brought in its wake unique challenges as under:

- (a) Privatization of security services under the Private Security Agencies Act, 2005 raises questions about the liability of private security personnel and companies in cases where the personnel use excessive or unnecessary force.
- (b) Banks employing 'recovery agents' to collect payments from people defaulting in repaying a loan: In *Citicorp Maruti Finance Ltd. v. Smt. Vijayalaxmi*¹³, the Delhi State Consumer Redressal Commission commented that finance companies and banks cannot be allowed to take law in their hands. People cannot be permitted to settle their civil disputes through criminal force and in the streets. In *Tapan Bose v. ICICI Bank Ltd.*¹⁴, the Delhi State Consumer Redressal Commission observed that if any service provider wants to engage private agency for recovery of dues, it has to authorize it to only recover it through legal method and not by employing threats, harassment, force and causing injuries or indulging in other acts which verges on criminal offence.
- (c) Health care: The Supreme Court recognized in *Paschim Banga Khet Mazdoor Samiti v. State of West Bengal*¹⁵ the right of health to be a fundamental right under Article 21 of the Constitution. In another case, *All India Lawyers Union (Delhi Unit) v. Govt. of NCT of Delhi*¹⁶ the Delhi Administration had entered into a joint venture agreement with corporation Apollo Hospitals to provide health care. The agreement stipulated that when completed, the multi-specialty hospital would provide free facilities of medical, diagnostic and other necessary facilities to 40% of the patients attending the OPD of the hospital. When the dispute arose to the scope of its obligation to provide free treatment, the Delhi High Court in *All India Lawyers' Union (Delhi Unit) v. Government of NCT Delhi* (September 2009) observed that by agreeing to be a partner with the State in the matter of health care, with stipulations of free health care to the specified extent, the company had taken onto itself the mantle of the State instrumentality.

(15) SLAPP Suits: The companies have, of late, resorted to so-called Strategic Lawsuit Against Public Participation (SLAPP)

¹² (1984) 3 SCC 161

¹³ Appeal No. A-65/2004 dt. 10.3.2003

¹⁴ Complaint Case No. CC 2007/49 dt. Nov. 2, 2007

¹⁵ (1996) 4 SCC 37

¹⁶ WP (c) 5410 of 1997 dt. Sept. 22, 2009



suits against human rights campaigners and activists. However, the Madras High Court in *Dow Chemical International v. Nithyanandam and International Campaign for Justice in Bhopal* (July 2009)¹⁷ held that the people of India have a right to protest, even against a multi-national company, and that unless a situation is shown where the life and liberty of an aggrieved individual or an organization is threatened from its very existence or their right to carry on business is curtailed, neither the State authorities nor the court will rush to prevent such actions through preventive orders to impose prior restraints.

At the end, the ICJ report mentions conclusions and recommendations as under.

(i) Better implementation of laws and court decisions

Due to administrative apathy and red tape or corruption, there is a wide gap between law on paper and law in practice. The executive in several instances does not put into force a law that has been enacted by the legislature which is fatal to the efficacy and efficiency of a legal system. Further, the government agencies should do all within their means to implement in both letter and spirit judicial orders and directions aimed at safeguarding human rights.

(ii) Locating stakeholders' interests in company law:

Since the law relating to regulation of companies has an important role to play in developing a corporate culture in which business decisions are informed by a concern for human rights, the new company law should impose a duty on directors to consider the interests of stakeholders and require companies to disclose their non-financial performance in annual reports.

(iii) Improving access to justice:

The measures suggested are increase in number of courts and judges, promptly filling up vacancies, better use of Lok Adalats and the alternative dispute resolution (ADR) mechanism, tailored disincentives for vexatious and frivolous litigants, availability of legal aid to a larger section of people, encouragement to lawyers to do pro bono work, overhauling of court fees system so as not to be seen a source of revenue for the State.

(iv) Strengthening institutional mechanisms:

Suggested measures include more powers to National Human Rights Commission to investigate alleged human rights abuses by companies, adequate resources to National Green Tribunal to deal with all kinds of pollution complaints by companies and establishment of a National Commission to take cognizance of discrimination and unequal treatment in the private sector.

(v) Dealing with the menace of corruption:

In view of the inadequacy of the existing mechanisms (Prevention of Corruption Act, Prevention of Money Laundering

Act and the Right to Information Act), the report has proposed establishment of an independent anti-corruption commission backed with investigative powers, prosecutorial heft and fast-track tracks to tackle with the menace of corruption.

(vi) Transparent, participatory and humane developmental process:

In order to pave way for a transparent, participatory and humane developmental process, there is the need for participation of all relevant stakeholders in the decision-making process, and adequate consideration to the interests of those adversely affected/likely to be affected by development projects including their rehabilitation.

The International Commission of Jurists has undoubtedly done a stupendous job in bringing to the fore the malady of human rights abuses by the companies in India and made above-mentioned well meaning recommendations. In addition, the following additional suggestions may be considered to stem the rot:

- (i) the strong political will to take stringent swift actions against erring companies so that a clear message goes to the corporate world that the Govt. means business and good governance and has zero tolerance towards perpetrators of human rights abuses howsoever mighty the corporate house may be.
- (ii) creation of a special cell in the Ministry of Corporate Affairs to take *suo motu* notice of apprehension or incident of human rights violation by a company, conduct field visits and come up with preventive or curative actions.
- (iii) drafting a well-documented model code of conduct to be followed by the companies.
- (iv) Setting up of special benches of the High Courts and the Supreme Court to deal with violations on priority.
- (v) recognition and fullest protection to those who dare to take cudgels against those indulging in the nefarious activities of human rights abuses like harassments and injustice to women at work places.

Though the Companies Bill, 2011 has inserted certain provisions, concern is being raised on the conspicuous absence of detailed provisions to deal with the hydra-headed monster of black-money and corporate funding for electoral campaigns. It is alleged that the root of rampant corporate crimes committed with impunity, environmental destructions, poisoning of food chain and human rights violations by security forces has been traced to corporate funding of political parties. And in the context of industrial disasters (Bhopal Gas Tragedy), frauds by companies (Satyam Computers), the new law regulating the companies must contain comprehensive provisions to deal with all the facets of human rights violations so that every man, woman and child lives a full and peaceful life. ■

¹⁷ OA 395-397 of 2009 in Civil Suit 356 of 2009



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Natco Pharma Ltd v. Bayer Corporation **Compulsory Licence for a Pharmaceutical Product**

The decision rendered by the Controller of Patents in *Natco Pharma Ltd v. Bayer Corporation* in granting a compulsory licence to Natco Pharma is a historic decision and is a first of its kind. This article throws more light on the decision and implications arising there from.

In the context of making, life-saving and life-extending drugs, in a developing country like India, available at affordable prices, the decision by the Controller of Patents, India, in *Natco Pharma Ltd v. Bayer Corporation* in granting a compulsory licence to Natco Pharma Ltd ["Natco"] is a historic decision. The order of the Controller of Patents ["the Controller"] in this case¹ states that it is the first of its kind in the history of the Patents Act, 1970, where Natco was seeking the grant of a compulsory licence under section 84 of the Patents Act, 1970. The patentee was Bayer Corporation ["Bayer"].

The background facts

Bayer Corporation was a manufacturer of drugs,

registered in the United States, and had obtained, for its invention, a patent in the USA, and after filing an International Application under the Patent Cooperation Treaty obtained a patent in India in 2008, under the Patents Act, 1970, as amended in 2005 [hereafter referred to as "the Act"]. Bayer's invention, in the 1990s, was a drug called Sorafenib used in the treatment of advanced stage of liver and kidney cancer. Bayer developed the drug and launched it in 2005 under the trade name Nexavar for the treatment of kidney cancer and later obtained the approval in 2007 for the treatment of liver cancer also. After obtaining the necessary Government approvals for importing and marketing Nexavar launched it in India in 2008. The cost of the therapy using Bayer's product was Rs 2,80,428 per month and the drug was to be taken by the patient throughout his or her lifetime. Natco sought a licence from Bayer to manufacture and sell Nexavar in India at a far lower price viz. Rs 8800/- for a month's therapy, as against Rs 2,80,428 charged by Bayer at the time of Natco's request. Bayer refused to grant to Natco a voluntary licence to manufacture Nexavar. Natco filed the application under section 84 of the Act, before the Controller of Patents, seeking the grant of a compulsory patent of Bayer's product Nexavar.

The Controller noted that the three main issues that had to be

¹ It is acknowledged that the source of the copy of the order of the Controller of Patents in this case, *Natco v. Bayer* was www.iprlawindia.org



determined in deciding upon the application for the grant of a compulsory patent, under section 84, were: whether the reasonable requirements of the public with respect to the patented invention were not satisfied,² whether the patented invention was not available to the public at a reasonably affordable price³ and whether the patented invention was not worked in the territory of India.⁴ After hearing the submissions of the parties and the relevant records and considering the appropriate provisions of the Act and the obligations under TRIPS, he granted the compulsory licence on specific terms and conditions.

The legal provisions and the obligations under TRIPS

Before proceeding further, it would be advantageous to understand the legal position regarding the grant of a compulsory licence for patent under the Act and the relevant Articles of TRIPS to be able to evaluate the respective arguments of the patentee [Bayer] and the applicant [Natco], and for understanding the decision of the Controller of Patents and the grounds for that decision.

The Act

Section 84 of the 1970 Act is the basic provision relating to the grant of compulsory licences by the Controller of Patents. It sets out the scope of a compulsory licence and states the grounds on which an application may be made. The following are the grounds set out in section 84[1]: [a] the reasonable requirements of the public with respect to the patented invention have not been satisfied; [b] the patented invention is not available to the public at a reasonably affordable price; [c] the patented invention is not worked in the territory of India.

If the Controller is satisfied that the grounds urged by the applicant are justified he may grant a compulsory licence upon such terms as he may deem fit.⁵

Factors to be considered by the Controller - section 84[6]

In granting a compulsory licence, the Controller should consider: the nature of the invention, the time which elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention, the ability of the applicant to work the invention to the public advantage, his capacity to undertake the risk in providing the capital and working the invention, if the application were granted, whether the applicant had made efforts to obtain a licence from the patentee on reasonable terms and conditions and such efforts were not successful within a reasonable period [not



exceeding six months]. But these need not be considered by the Controller in case of national emergency or other circumstances of extreme urgency or in case of public non-commercial use or on establishment of a ground of anti-competitive practices adopted by the patentee, none of them happening after the application.

When reasonable requirements of the public are to be deemed as not satisfied - section 84[7]

The following are the circumstances in which the reasonable requirements of the public shall be deemed not to have been satisfied, justifying the grant of a compulsory licence: [a] by reason of the refusal of the patentee to grant a licence or licences on reasonable terms; prejudice to an existing trade or industry in India or a new or developing trade or industry in India or to the development or establishment of commercial activities in India is caused; demand for the patented article is not being met adequately or on reasonable terms; export markets for the article manufactured in India are not being supplied; the terms and conditions of the patentee adversely affect manufacture, sale or use of articles not patented; unreasonable conditions imposed by the patentee on his licensee; not working the patent in India on a commercial scale to an adequate or reasonably practicable extent; imports by the patentee or persons claiming under him preventing or hindering the working of the patented invention in India on a commercial scale or when the patentee does not take steps against infringement when third parties make such imports.

Revocation of a compulsory licence for non-working

A compulsory licence may be revoked by the Controller where it is shown, after the expiry of two years from the date of granting of the first compulsory licence, that the patented invention has not

² section 84[1] [a]

³ section 84[1][b]

⁴ section 84[1][c]

⁵ section 84[4]



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been worked in the territory of India or that reasonable requirements of the public with respect to the patented invention has not been satisfied or that the patented invention is not available to the public at a reasonably affordable price. The order of revocation of the patent for non-working of a compulsory licence shall ordinarily be decided by the Controller within one year of the presentation of the application for revocation.⁶

Compulsory licences - powers of the Controller, purposes of issue, terms and conditions that may be imposed etc.

The powers of the Controller in granting compulsory licences are stated in section 88. The grant of a compulsory licence is to secure the following purposes: [a] that the patented inventions are worked on a commercial scale in the territory of India without undue delay and to the fullest extent that is reasonably practicable; that the interests of any person for the time being working or developing an invention in the territory of India under the protection of a patent are not unduly prejudiced.⁷ The terms and conditions subject to which a compulsory licence may be granted are stated in section 90. The Controller may terminate a compulsory licence granted under section 84 if and when the circumstances that gave rise to the grant of that licence no longer exist and such circumstances are unlikely to recur.⁸

Compulsory licences - powers of the Central Government

In circumstances of national emergency or extreme urgency or in case of public non-commercial use, if the Central Government is satisfied that compulsory licences should be granted at any time after the sealing thereof, to work the invention, it may make a declaration to that effect, by notification in the Official Gazette. Then, the Controller shall grant to the applicant, making the application after the notification, a licence under the patent on such terms and conditions as he thinks fit. In fixing the terms of this licence, the Controller should ensure that the terms and conditions are such that the articles manufactured under the patent shall be available to the public at the lowest prices consistent with the patentees deriving a reasonable advantage from their patent rights.⁹

Compulsory licence for export of patented pharmaceutical products

The Controller is empowered to grant, in certain exceptional circumstances, compulsory licences for the manufacture and export of patented pharmaceutical products. The export would be to countries having insufficient or no manufacturing capacity

to manufacture the concerned pharmaceutical product to address public health problems. A country falling under this description should either have granted compulsory licences or allowed import of patented pharmaceutical products from India. On the application of any person, the Controller may grant a compulsory licence solely for manufacture and export of the concerned pharmaceutical product to such country and determine the terms and conditions. "Pharmaceutical products" are defined as follows: Explanation.-For the purposes of this section, "pharmaceutical products" means any patented product, or product manufactured through a patented process, of the pharmaceutical sector needed to address public health problems and shall be inclusive of ingredients necessary for their manufacture and diagnostic kits required for their use.¹⁰

TRIPS - Article 31

Articles 27 to 34 of the TRIPS Agreement declare the obligations of Member Countries of the WTO regarding patents.

Article 31 provides for other use without authorization of the right holder which enables the grant of compulsory licences, but subject to the conditions stated therein. The main conditions are: such use may only be permitted if, prior to such use, the proposed user has made efforts to obtain authorization from the right holder on reasonable commercial terms and conditions and that such efforts have not been successful within a reasonable period of time; the scope and duration of such use shall be limited to the purpose for which it was authorized, and in the case of semi-conductor technology shall only be for public non-commercial use or to remedy a practice determined after judicial or administrative process to be anti-competitive; such use shall be non-exclusive; any such use shall be authorized predominantly for the supply of the domestic market of the Member authorizing such use; the right holder shall be paid adequate remuneration in the circumstances of each case, taking into account the economic value of the authorization; the legal validity of any decision relating to the authorization of such use shall be subject to judicial review or other independent review by a distinct higher authority in that Member.

It may be noted that all these conditions are incorporated in section 90 of the Act.

To go back to the order of the Controller in Natco v. Bayer. It should be remembered that the application by Natco in this case was under section 84.

The respective contentions of the parties

Bayer

Preliminary objections by Bayer

Bayer raised some preliminary objections before the Controller

⁶ section 85

⁷ section 89

⁸ section 94

⁹ section 92

¹⁰ section 92A



of Patents before the hearing of the application on merits under section 84. They were: [i] Natco had failed to mention the grounds under section 84[1][b] and [c] of the Act. These are that 'the patented invention was not available to the public at a reasonably affordable price' and that the patented invention was not worked in India; [ii] Natco did not show that it had made efforts to obtain a licence from Bayer on reasonable terms and conditions and that such efforts were not successful within a reasonable period, as required by section 84[6][iv]; [iii] Natco had not made out a *prima facie* case to support the Controller's order under section 87[1], initiating the process of inquiry into Natco's application for the grant of a compulsory licence, without giving an opportunity to Bayer to be heard in the matter which violated the principles of natural justice.

On the first objection, the Controller ruled that Natco's application had raised constructively all the grounds mentioned in section 84[1]. The second objection was overruled as the records showed that Natco had made efforts to obtain a licence from Bayer. On the objection that proceedings were initiated without a *prima facie* case being made out and that there was no notice to Bayer of the initiation, the Controller ruled that the Act did not envisage a hearing of the patentee while initiating the process on the application seeking a compulsory licence and where the records showed that the quantities imported by the Bayer appeared to be grossly inadequate, a *prima facie* case was to be held to have been made and that on that ground the initiation of the process was justified. He also held that in view of the fact that no right or title or interest of the Bayer was affected by this notice under section 87[1] and that it had full opportunity to present its case at the hearing, the notice issued by the Controller did not affect Bayer in any way.

Bayer argued that Natco had suppressed the fact that M/s Cipla, another generic drugs manufacturer in India, was also selling the generic version of the drug Sorafenib in India since April-May 2010. Natco replied that it was aware of the position and also that Bayer had filed a suit for infringement against Cipla and that the interposition of Cipla did not affect Natco's application for a compulsory licence. The Controller agreed with the defence of Natco that Cipla's presence was not material for disposal of the application by Natco under section 84.

The Controller's decision

[i] Reasonable requirements of the public - section 84[1][a]

The first issue that was taken up was 'whether the reasonable requirements of the public with respect to the patented invention have not been satisfied'.

Arguments by Natco

The arguments were: that the records showed that as against the estimated demand, the quantities of the patented product imported by Bayer into India were small, Bayer had not taken adequate steps to manufacture the product in India and to make

Section 84 of the Patents Act, 1970 provides the basic provision relating to the grant of compulsory licences by the Controller of Patents. It sets out the scope of a compulsory licence and states the grounds on which an application may be made.

full use of the invention; the drug was exorbitantly priced and was out of reach of most people. The product was available only in limited quantities and that too only in pharmacies in the metro cities. It was found that even 1% of the public did not derive the benefit of the patented drug. Bayer only imported the product into India and did not manufacture it by itself in India. But Bayer manufactured and sold in India its other products. Bayer's worldwide sale of the patented drug was USD 2454 million, whereas in India, sales of the drug did not exceed USD 32 to 40 million.

One of Bayer's argument was that Cipla's selling the drug at Rs 30,000 as against its own price of Rs 2,80,000 had cut into its market share preventing it from selling in sufficient numbers. This was countered by Natco stating that the presence of Cipla in the market for the product was irrelevant and that it was the patentee's obligation to supply the product to the market. In any case, Bayer's records filed before the Controller did not refer to Cipla's sales and this led to the conclusion that sales by Cipla were not significant and sales by an infringer were not to be taken into account and that Bayer could obtain an injunction against Cipla restraining the sale of its own product. Perhaps the most important argument of Natco was on the obligation of the patentee under law regarding supply of the drug, which was to make it available in a manner such that substantial portion of the public was able to reap the benefits of the invention. It was that the high cost of Rs 2,80,000/- made the question of availability meaningless. As the demand for the patented product was not met on reasonable terms, it was a clear case showing that the reasonable requirements of the public of the patented invention were not satisfied and that this would justify the grant of a compulsory licence on this ground.

Arguments by Bayer

Bayer represented that its field force and distributors catered to all the cancer treatment centres in India, its distributors also supplied to hospitals, pharmacies, retailers and patients, to outstation cities where the drug was required. It also rebutted the charge that the drug was not supplied in villages as meaningless, as the drug was to be made available in cancer hospitals and institutes where specialists in cancer treatment would administer the drug and therefore the drug was available as required.



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Natco was wrong to have linked the issue of the price of the drug to the test of reasonable requirements of the public not being satisfied, the position of which was clearly laid down in section 84[7]. The price of the drug or availability to the public at a reasonably affordable price would fall under section 84[1][b].

Bayer argued that the purpose of section 84[1][a], stating as a ground for grant of a compulsory licence, that the reasonable requirements of the public with respect to the patented invention were not satisfied was, to enhance access to patented inventions and access to a patented invention and affordability thereof were not the same thing.

Decision of the Controller

The Controller rejected the defence of Bayer that, taking into account Cipla's supply of the drug along with its own supply would satisfy the reasonable requirements of the public as, the conduct of an alleged infringer 'cannot by any stretch of imagination be considered in this case'. If anything, according to section 84[6][i] the measures already taken by the patentee or any "licensee" to make full use of the invention could be considered. Cipla was not a licensee, but an alleged infringer. The Controller held, on the basis of records, that the drug was not made available by Bayer as per the requirements of the public in India during the four years since the grant of the patent and this was not justifiable. It was not as though the drug had to be developed. Bayer was already marketing the drug in other parts of the world in a large scale. In as much as Bayer, even after the lapse of three years, had imported and made available only an insignificant proportion of the reasonable requirement of the product in India, the Controller held that section 84[7][a][ii]

clearly applied and ruled that a compulsory licence was to be issued to Natco under section 84.

[iii] Reasonably affordable price - s 84[1][b]

Arguments by NATCO

The weighty argument by NATCO was that the price of the patented product was too high and unaffordable by the common man to whom the product was inaccessible and that on this ground it was to be held that the demand for the patented product was not met on reasonable terms.

Natco had filed before the Controller an affidavit by Mr James Packard Love, Knowledge Ecology International, a non-profit organization, USA. Mr Love was an invited expert in intellectual property issues at almost all the international organizations which included WTO, WIPO and such other organizations. Mr Love had reported that Bayer which received an FDA designation, covering clinical trials relating to the orphan drug indication "treatment of renal cell carcinoma", under the US Orphan Drug Act in 2004 which made it eligible to 50% orphan drug tax credit, lowering the net costs of investments to Bayer, there was no publicly available information on the amount of tax credit received by Bayer. Mr Love added though the expenditure on research and development in the case of such drugs was high, they generated high sales and profits. Natco charged that Bayer while referring to its expenses on research and development relating to this drug, had not opened its doors for one "to look at the revenues and profits from the drug".

Bayer's arguments

Bayer claimed that the price of the patented product was high as it covered also the research and development cost of innovators, like Bayer, as against manufacturers such as Natco who merely copied the drug discovered by the patentee, taking advantage of the research and development expenses incurred by the patentee. It was contended by Bayer that the research and development cost not only included the expenditure of money on failed projects, but also the additional expenses on research and development for the next generation of innovations. On this premise, it was submitted that past expenditure would not help in determining if the current price of the product was reasonable. It was submitted that the cost of research and development and the cost of manufacture have to be taken into account while determining what was the reasonably affordable price. It was further argued that the price should be differential depending upon the financial resources of the buyer and that there cannot be one price for all. One of Bayer's arguments was that the provisions regarding compulsory licence nowhere mentioned that demand is required to be met only by the patentee. This ignored the position that the core of the complaint against was that Bayer as a patentee was not fulfilling its obligations under the Act and the purposes of granting patents, as declared in section 83.





Articles 27 to 34 of the TRIPS Agreement declare the obligations of Member Countries of the WTO regarding patents. Article 31 provides for other use without authorization of the right holder which enables the grant of compulsory licences, but subject to the conditions stated therein.

The Controller's decision

The Controller ruled that the only reason that the drug was not available to the public was "its price was not reasonably affordable to them". He concluded beyond doubt that the patented invention was not available to the public at a reasonably affordable price and on that ground a compulsory licence was to be issued to Natco under section 84 of the Act.

[iii] Patent not worked in India

Submissions of Natco

Bayer was only importing the drug and it was not worked in the territory of India to the fullest extent that was reasonably practicable. Natco argued that "working" the patent was to be interpreted in accordance with section 83[a] and [b] of the Act and with reference to the debates in the Lok Sabha. It stated that Bayer was working the patent in other countries since 2006 and the patent was not exploited in India and no reason was offered for that position. More than that Bayer claimed to have manufacturing facilities in India for several products, including oncology products.

Natco further submitted that Bayer's argument that even minimum working would satisfy the requirements of section 84[1][c] as flawed since the question would have to be determined as defined in section 83[a], which was to the effect that patents are granted "to encourage inventions and to secure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practicable without undue delay". Accepting Bayer's argument would render section 84[1][c] of no effect.

Bayer's submissions

According to Bayer, supplying to the market would be working a patent and requiring local manufacturing of the patented product would be beyond the scope of the Act and the intent of the Legislature. Also establishment of manufacturing facilities required huge investment in terms of infrastructure and

logistics.' Bayer also claimed that the global demand for the product was small and can only be produced in small volumes. Bayer claimed that manufacture of the patented drug was done in its facilities in Germany to obtain economies of scale and to keep manufacturing costs at a reasonable level. According to Bayer the quantities required in India did not economically justify setting up a manufacturing facility in India.

Controller's decision

As a preface, the Controller observed that in ascertaining the meaning of the phrase 'worked in the territory of India' which was not defined by the Act, one will have to look into international conventions and agreements on intellectual property, the Act, the context in which this concept appeared and the legislative history. In his view, a conjoint reading of the relevant Articles of the Paris Convention and TRIPS showed that a compulsory licence could be granted when there was an abuse of patent rights and that this concept of issuing a compulsory licence upon the failure of the patentee to work the invention in India was incorporated by the provisions of Chapter XVI of the Patents Act. He ruled that Bayer's argument that working the patent meant only working on a commercial scale, as the language of section 84[1][c] did not justify such a contention. It simply states 'the patented invention is not worked in the territory of India'. Bayer was depending on the reference to 'working on a commercial scale' occurring in section 84[7][e], in a different context.

The Controller stated that section 83 was the crucial section that sets out the general principles applicable to working of patented inventions. He ruled that section 83[c] and [f] clearly required patentee to contribute towards transfer and transmission of technology, nationally and internationally so as to balance the rights with the obligations and that this could be done by the patentee manufacturing the product himself in India or granting a licence to anyone to manufacture it in India. The Controller stated: "'worked in the territory of India' implies manufactured in India to a reasonable extent so that the principles enumerated in section 83 can be brought into effect. In the absence of manufacturing in India, section 83 will be a dead letter".

The Controller also referred to section 90[2], according to which a licensee holding a compulsory licence cannot import the patented article or an article or substance made by patented process from abroad, unless permitted by the Controller, under section 90[3] in public interest. This meant that import of a patented product would not be working an invention in India. A compulsory licence holder has to necessarily work the patent by manufacturing the patented invention in India. He concluded that 'worked in the territory of India' means 'manufactured to a reasonable extent in India'. On the facts he held that section 84[1][c] was attracted and he granted a compulsory licence to Natco under section 84 of the Act.



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Application by Bayer under section 86

Bayer also made an application under section 86 of the Act which provides for the adjournment of proceedings for the grant of a compulsory licence and grant time for the patentee to work the invention in India. The Controller held that Bayer's application did not satisfy the requirements of section 86. They were that: [i] the time which has elapsed since the sealing of the patent has for any reason been insufficient to enable the invention to be worked on a commercial scale to an adequate extent or to enable the invention to be so worked to the fullest extent that was reasonably practicable; and [ii] the patentee had taken with promptitude adequate or reasonable steps to start the working of the invention in the territory of India on a commercial scale to an adequate extent.

The terms and conditions of the compulsory licence

While granting a compulsory licence to Natco of Bayer's patented drug, the Controller imposed the following terms and conditions:

[i] the price of the drug was not to exceed rupees 8880 per a pack of 120 tablets required for a month's use; Royalty was fixed at 6% of the net sales by Natco; licensee to maintain proper accounts of sales etc. and report them periodically to the Controller and to Bayer; licensee was permitted only to manufacture the drug at its own manufacturing facility and not to outsource the production; the licence was non-exclusive, non-assignable; the licence was granted solely for the purpose of making, using, offering to sell and selling the drug covered by the

patent for the purpose of HCC and RCC in humans within the territory of India; the licensee was obliged to offer to at least 600 needy and deserving patients per year and submit the information of such patients and treating oncologists to the Controller periodically; the licensee shall not have the right to import the drug covered by the patent; the licence was for the balance term of the patent; the licensee was bound not to make representations, private or public that the product was the same as that of the licensor or that the licensor was in any way associated with the licensee's product; in colour and shape, the licensee's product should be distinct from that of the licensor; the licensor will not provide any legal, manufacturing, marketing of such support to the licensee; the licensee was solely and exclusively responsible for product liability relating to its product, made under the licence and the licensor shall bear no responsibility in this regard; licensor was free to exercise its residual right in the patent, subject to the non-exclusive licence to the licensee, to grant further licences to others to compete with the licensee and the licensor was also free to compete with the licensee.

Points to ponder

Arising out of the facts of this case, some pertinent observations may be made. As this case shows multinational pharmaceutical companies use their patents to maintain the high level of their profits, disregarding the lack of availability of the drugs invented by them in developing countries, the diseases they are intended to ameliorate, the levels of incomes of the country in which they are sought to be sold and also despite the tax credits obtained by them. The fact that they do not wish to work the patent in India shows that they prefer to keep the technological information to themselves and not share it with others, particularly developing countries. It may be time for developing countries to begin their own research in a scale they can afford and go in stages ■



Corporate Laws



LW 107.12.2012

BHARAT SHANTILAL THAKKAR v. SEBI [SAT]

Appeal No.122 of 2012

P. K. Malhotra Presiding Officer & S.S.N. Moorthy, Member

[Decided on 08/11/2012]

Securities and Exchange Board of India Act, 1992 read with Securities Contracts (Regulation) Act, 1956 - Off-market transactions in dematted scrips - claimed to be loan transactions - failure to furnish details of the transactions - whether violating the provisions of SCRA - Held, yes.

Brief facts

The Board conducted investigation in the trading in the scrip of M/s. Indo Pacific Software and Entertainment Ltd. The investigations revealed that ten entities transferred/ received shares in off-market transactions in respect of 70,78,108 shares. Investigation was conducted into the nature of the off market transactions and the appellant was directed to explain the circumstances leading to the off market transfers. The appellant contended before the investigating authority and the adjudicating

officer that the off market transfers were in the nature of repayment of old loans, advancement of new loans or transactions between his own demat accounts. The investigating authority called for specific details regarding the alleged off market transfers.

When complete and convincing reply was not received from the appellant, summons was issued enclosing specific details to be furnished and for personal appearance of the appellant. After a series of such correspondence the investigating officer concluded that the queries raised during the investigation were not answered fully by the appellant and there was default in responding to the summons issued by the authorities.

He concluded that there was violation of the provisions of section 11C of the Act in as much as the appellant had failed to appear as directed and failed to provide the required information as per summons issued. It was also noticed by him that the appellant failed to furnish evidence for the off market transfers as contended by him and so the exact purpose and *modus operandi* of the off market transfers could not be established. It was noted that the appellant failed to furnish evidence as promised in the replies to the summons to establish the claim that off market transfers were in the nature of loan repayment/fresh loan. There was no evidence for payment of consideration as well. In view of the failure to furnish the above mentioned evidence in support of the off market deals, the adjudicating officer concluded that there was violation of the provisions of sections 13 and 18 read with section 2(i) of the SCRA.

The appellants were held to be guilty of violating section 11C of the Act and hence penalty under section 15A(a) was imposed as mentioned above. Similarly, the appellants were found to be guilty of violating sections 13 and 18 read with section 2(i) of the SCRA and penalty was imposed under section 23H of the SCRA as mentioned above. The appellants challenged the imposition of the above penalties in these appeals.

Decision: Appeal dismissed.

Reason

As observed by the adjudicating officer, off market transfers in the present case are covered under section 2(i)(b) of the SCRA. There has been off market deals between the appellant and other entities of the group by way of transfer of beneficial ownership through the depository. The case of the appellant is that the restriction of time and payment imposed on spot delivery cannot be imputed to a situation covered under section 2(i)(b) in as much as the provisions of section 2(i)(a) and 2(i)(b) are not connected by a conjunction and so they stand alone as unconnected provisions. The charge levelled against the appellant by the adjudicating officer is that the impugned off market transfer, not having been substantiated as a loan transaction by the appellant, should be considered to be a normal sale/purchase and the



restrictions contained in section 2(i)(a) should be harmoniously applied to the present situation as well.

The issue under consideration has got two limbs - (1) the real nature of the transaction and (2) the harmonious construction of sections 2(i)(a) and 2(i)(b) of the SCRA. With regard to the first limb, the case of the appellant is that the impugned transfer is in the nature of loan/loan repayment. Admittedly, it is for the appellant to advance evidence in support of his claim. The adjudicating officer provided the appellant with sufficient opportunities to furnish documentary proof in support of the claim. The appellant sought extension of time to locate and furnish the relevant documents. There was no refusal of this prayer from the investigating officer. The appellant did not furnish the required documentary evidence in spite of getting a long interval between the summons issued by the investigating officer and the show cause notice issued by the adjudicating officer. So the theory of loan transaction could not be accepted by the adjudicating officer. He, then, proceeded to deal with the transaction as one in the nature of sale/purchase which is reasonable and logical. Thus, the facts on record show that the adjudicating officer has characterised the transactions based upon the fact situation and the failure on the part of the appellant to prove his claim. Once the transaction is regarded as sale/purchase, it has to be examined whether the provisions of sections 2, 13 and 18 of the SCRA are complied with.

The second limb of the argument, as aforementioned, deals with the harmonious construction of the provisions of section 2(i)(a) and 2(i)(b) of the SCRA. We find that this issue has been decided by this Tribunal in the case of *Mrs. Bhanuben Jaisukhlal Shah*. The adjudicating officer has considered this issue in detail in the light of the decision of this Tribunal cited above. The observations of this Tribunal, though relied on by the adjudicating officer, require reiteration to reinforce the stand taken by the adjudicating officer. The relevant portions are extracted below for the sake of convenience.

"According to clause (b), when securities are transferred from one beneficial account to another, it would be treated as "actual delivery" of securities within the meaning of clause (a). It is, thus, clear that clause (b) is not an independent clause but only an explanation to the words "actual delivery" as used in clause (a). We cannot, therefore, accept the argument of the appellant that clause (b) is an independent clause and that the spot delivery contract is complete with the mere transfer of securities from the account of one beneficial owner to that of another without reference to the payment of consideration. This could never be. If that were so, the contract itself would become void being without consideration. Clause (b) cannot be picked up and interpreted in a manner which defeats the very purpose for which it was enacted. While interpreting the provisions of Section 2(i) of the Act, we have to keep in mind the consequences which are likely to flow from the intended interpretation. We cannot but hold

that clause (b) in Section 2(i) was not meant to stand on its own and it has to be read in conjunction with clause (a)."

The fact situation in the present case and the legal position as enunciated in the decision of the Tribunal mentioned above make it clear that the transactions entered into by the appellant are not in compliance with the requirements laid down for spot delivery contracts under section 2(i) of the SCRA and from this it flows that they are in violation of the provisions of sections 13 and 18 of the SCRA.

LW 108.12.2012

GRISHMA SECURITIES PRIVATE LIMITED & ORS v. SEBI [SAT]

Appeal No. 209 of 2012

P. K. Malhotra, Presiding Officer & S. S. N. Moorthy, Member

[Decided on 19/11/2012]

Securities and Exchange Board of India Act, 1992 - Section 11 and 11B - IPO - broker allowed certain individuals to trade in the scrip on the listing day - exit route provided for QIBs - whether acts liable for penalty - Held, Yes.

Brief facts

The Board carried out investigations into the Initial Public Offering (IPO) of Tijaia Polypipes Ltd. (the company) and *prima-facie* found that certain individuals traded in the shares of the company on first day of listing i.e. October 14, 2011 and provided an exit to both qualified institutional buyers and retail investors who were allotted shares in the IPO. According to initial investigations carried out by the Board, these buyers in the IPO were creating artificial volumes in the scrip of the company to attract genuine investors. It is also alleged that the individuals who provided an exit to the qualified institutional buyers and retail allottees include Jivraj Bachubhai Zala (Zala), Lopa Saumil Bhavnagari (Lopa) and Chetan Dave (Dave) and the appellant company acted as brokers through whom Zala and Dave entered trades in the shares of the company and had links with Lopa who allegedly traded in the shares of the company. The appellants allowed Zala to trade in the shares of the company on October 14, 2011 without meeting margin requirements, funded Zala's margin obligations from funds and securities belonging to other clients, falsified its client ledger etc. Pending investigations, the Board passed the impugned order against various entities including the appellants.

This appeal is filed by the appellants against the *ad-interim ex-*



parte order dated December 28, 2011, passed by the whole time member of the Securities and Exchange Board of India (the Board) *interalia*, prohibiting the appellants from buying, selling or dealing in any securities, in any manner, whatsoever, till further orders.

Decision: Appeal dismissed.

Reason

We have given our thoughtful consideration to the arguments advanced by counsel on both sides and also perused the documents placed on record. We have also taken note of the fact that investigation in the matter is already over and the Board is likely to issue show cause notice to the appellants within next two weeks. Therefore, we are not inclined to interfere with the continuation of the proceedings by the Board against the appellants.

In so far as continuation of interim order against the appellants is concerned, what we have to see is whether a *prima-facie* case for continuing the interim order against the appellants is made out. Perusal of the order dated November 5, 2012 passed by the whole time member shows that he has considered the submissions made by the appellants. A *prima-facie* view is also expressed as to why those reasons are not acceptable when the proceedings are still continuing. After dealing with the submissions, the whole time member has given reasons in paragraph 14 of the order as to why interim order already issued need to be continued which are reproduced below for ease of reference :-

"14. I note that Grishma had allowed Mr. Jivraj Zala to trade heavily in the scrip, on the day of listing, allowing him to take huge exposures and incurring heavy losses to the tune of Rs. 9.95 crore, without collecting margins, despite the fact that he was a "walk-in-client" and his annual income was only around Rs. 5 lakh. The said client had allegedly provided exit to certain retail allottees and QIBs and the losses incurred by him was partly off-set through funds from TPL received through layered fund transfers. His client ledger was allegedly manipulated to indicate that he had sufficient funds to trade, whereas funds were actually received much later after the trading day. Grishma had allegedly utilized the funds/securities of other clients for making the margin payments of Mr. Jivraj Zala towards his trades. The interim order had mentioned that Grishma's client, Mr. Jivraj Zala had indulged in structured trades/trade reversals with Ms. Lopa. The submissions of Grishma, its directors and CEO do not give any plausible reasoning/explanation for their actions, at this stage. I also note that investigation in the matter has been completed and appropriate action as deemed appropriate, in accordance with law, would be initiated against Grishma, its directors and the CEO. In the light of above facts and circumstances, I am

therefore of the considered view that no intervention is called for, at this stage, in either vacating the interim directions or modifying it, with respect to Grishma, its directors and CEO."

We are of the view that the whole time member has passed the order dated November 5, 2012 after considering the submissions made by the appellants and has recorded sufficient reasons for continuation of the impugned order. Simply because interim order has been revoked against other brokers, it cannot be a ground for revoking the interim order against the appellants. It depends on the role played by them in manipulation of the scrip of the company. It is not in dispute that Section 11/11B of the Act empowers the Board to restrain any person from accessing the securities market and prohibit any person associated with the securities market to buy, sell or deal in securities either pending investigation or enquiry or on completion of such investigation or enquiry in the interest of investors or securities market. The appellant company has acted as broker to Zala and Dave in the trading of the scrip of the company done on October 14, 2011 which has allegedly manipulated the market and induced gullible investors to invest in the shares of the company. This conduct is under investigation. After considering the response received from the appellants the whole time member of the Board has come to the *prima-facie* conclusion that appellants have failed to act in accordance with the provision of the regulations in its dealings with its clients. The investigation is over and the Board is likely to issue a show cause notice within next two weeks. The whole time member has brought on record sufficient justification for continuation of interim order against the appellants. We are convinced that no case for intervention by the Tribunal at this stage is made out.

LW 109.12.2012

RICH CAPITAL & FINANCIAL SERVICES LIMITED & ORS v. SEBI [SAT]

Appeal No. 137 of 2012

P. K. Malhotra, Presiding Officer & S. S. N. Moorthy, Member

[Decided on 14/11/2012]

Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 - Regulations 3(d), 4(1), 4(2)(f), 4(2)(r); Securities and Exchange Board of India Act, 1992 - Sections 12A(c), 15HA

Brief facts

The Board conducted investigations into trading in the scrip of the company during the period March 27, 2009 to August 12, 2009. It was noted that the company made corporate announcements



relating to financial results and rights issue of equity shares of the company vide notice dated April 14, 2009, July 15, 2009, July 24, 2009, August 1, 2009 and August 28, 2009. The meeting of the board of directors to consider rights issue of equity shares, scheduled to be held on August 1, 2009 was postponed to August 10, 2009. Again, the meeting of board of directors to be held on August 10, 2009 *inter alia* to consider the rights issue of equity shares of the company was adjourned. In accordance with the provisions of clause 19 of the listing agreement, the company had given prior intimation to BSE about the board meeting, but it did not give any intimation to the stock exchange immediately after the meeting, as required by clause 20 and 22 of the listing agreement. This intimation was furnished only on October 9, 2009, that too, after repeated telephonic reminders of BSE. It was found by the Board that the rights issue of equity shares of the company was never considered thereafter and it was, therefore, alleged that the company and its board of directors never had an intention to consider rights issue. By putting this item in the agenda and not considering it at all, the appellants have played fraud with the investors and had thus violated the provisions of Section 12A(c) of the Act read with regulation 3(a), 4(1), 4(2)(f) and 4(2)(r) of the Regulations.

The adjudicating officer of the Board provided them opportunity of hearing after which she held the appellants guilty of violating the aforesaid provisions and imposed a penalty of Rs. 1,50,000/- on the company and Rs. 2,50,000/- each on all the directors namely, Rajeev Agarwal, Sanjay Gupta, Shashwat Agarwal, Dhruv Shah and K. K. Agarwal. All these persons, except K. K. Agarwal, are in appeal before us.

Decision: Appeal dismissed.

Reason

We have considered the rival submissions and examined the material on record and are of the view that no interference is called for in the impugned order. Admittedly, the company had placed on its agenda the item of rights issue of equity shares of the company for consideration by the board of directors in its meeting which was to be held on August 1, 2009 and deferred to August 10, 2009. No material, whatsoever, has been placed on record to show that before placing this item on the agenda of the board meeting any ground work was done. There is nothing on record to show that there were any deliberations in the board meeting on this issue or why this agenda item was dropped. The very fact that the company had given prior intimation to BSE about the board meeting containing the above agenda item, as per requirement of clause 19 of the listing agreement but no such intimation was furnished to BSE under clause 20/22 of the listing agreement leads to a doubt about the bonafides of the appellants on consideration of this issue. By putting the item of rights issue on the agenda note and informing stock exchange about it, surely creates interest in the investors in the shares of the company and thereafter by not taking up the issue at all and not furnishing any reasons therefor and not informing stock exchange about the

outcome of the board meeting, in our view, will fall within the definition of fraud under the regulations. Only a belated intimation was furnished, that too, after repeated reminders from BSE.

This view gets strengthened after perusing the order dated July 31, 2012 passed by the adjudicating officer of the Board against M/s. Big Brokers House Stocks Ltd. where, after investigation in the same scrip for the same investigation period, the Board has held M/s. Big Brokers House Stocks Ltd. guilty of violating the regulations for entering into reversal/circular trades. A copy of this order has been produced before us by learned counsel for the appellants. Perusal of the same shows that the appellants before us are connected to the parties involved in the order passed against M/s. Big Brokers House Stocks Ltd. We have looked at the findings in that case only for the purpose of deciding the present appeal and this should not be taken as an expression of our view on the order passed by the adjudicating officer in the case of M/s. Big Brokers House Stocks Ltd. We are, therefore, not inclined to interfere with the order passed by the adjudicating officer.

LW 110.12.2012

MRITUNJAY KUMAR v. SEBI [SAT]

Appeal No. 177 of 2012 & 178 of 2012

P.K. Malhotra, Presiding Officer & S.S.N. Moorthy, Member

[Decided on 02/11/2012]

Sections 11(1), 11(4), 11B of the Securities and Exchange Board of India Act, 1992 read with Regulation 3 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 - Portfolio management services - solicitation of business without registration with SEBI - whether restraint order tenable - Held, yes.

Brief facts

A show cause notice dated December 14, 2011 was issued to the company and its two directors alleging that the company, which was being managed by Mr. Mritunjay Kumar and Mr. Amaranjay Kumar, was soliciting business of portfolio management services from the general public without being registered as a portfolio manager with the Board. It was observed from the website of the appellant company that it was offering discretionary portfolio management services and claimed to have a team of experts who carefully take investment decisions based on the clients objectives. The representation so made indicated that the appellant had carried out portfolio management services without having registration from the Board as portfolio manager and



contravened section 12(1) of the Act read with regulation 3 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (the regulations). The company and the two directors filed their reply denying the charges. After considering the replies submitted by them as well as their oral and written submissions, the whole time member of the Board gave benefit of doubt to Mr. Amaranjay Kumar on the charges as contained in the complaint of Mr. Rathore. The whole time member also observed that the complaints against the company have been resolved to the satisfaction of the complainants. These are the mitigating factors to be considered while taking a final view in the matter. With regard to the misrepresentation made on the website of the company relating to rendering of portfolio management services, the whole time member was of the view that the restraint and prohibition already undergone pursuant to *the ex parte ad-interim* order dated October 11, 2010 and continued under the interim order dated June 1, 2011 are commensurate with the contravention. He, therefore, observed that further restraint need not be continued. However, with a view to protect the interests of the investors, the whole time member, by his impugned order dated March 30, 2012, issued the following further directions:

- (a) M/s. Credent Portfolio Management Private Limited and its directors viz. Mr. Mritunjay Kumar and Mr. Amaranjay Kumar shall not solicit or undertake any portfolio management activities, directly or indirectly, in any manner whatsoever without obtaining registration as such from SEBI;
- (b) M/s. Credent Portfolio Management Private Limited and its directors viz. Mr. Mritunjay Kumar and Mr. Amaranjay Kumar shall immediately withdraw and remove advertisements, representations, literatures, brochures, materials, publications, documents, websites, etc. in relation to the portfolio management activities, if any; and
- (c) M/s. Credent Portfolio Management Private Limited shall immediately remove the words Portfolio Management from its name as undertaken by it. Mr. Amaranjay Kumar has not preferred any appeal against the said order. The company and Mr. Mritunjay Kumar, its other director, are in appeal before us on the ground that the order carrying conviction and penalty has caused irreparable loss to the business and reputation of the appellant.

Company and its director appealed against the above order.

Decision: Appeal dismissed.

Reason

Learned counsel for the appellant has filed detailed written submissions dealing with a number of issues claiming that the display on the website of the company with regard to its offering of portfolio management services does not amount to soliciting portfolio management services or that the directors of the company cannot be held liable for such display on the website of

the company. In support, he has relied on certain judgments / orders of the Supreme Court as well as of this Tribunal. We do not consider it necessary to go into all those details. Suffice it to say that the judgments cited by the appellants relate to criminal liability of a director in respect of offences / violations on the part of the company. Here we are dealing with an admitted fact of a representation on the website which is in violation of the regulatory framework under the Act. The company is a private limited company having only two directors. It is not their case that these directors were not involved in the day to day business of the company. Therefore these directors cannot absolve themselves of the liability due to violations of regulatory framework. The Hon ble Supreme Court, while dealing with the provisions of the Act and the regulations made thereunder, in the case of *Chairman, SEBI v. Shriram Mutual Fund* AIR 2006 SC 2287, has observed that once contravention of the regulatory framework is established then the penalty has to follow and only the quantum of penalty is discretionary. Following observations of the Supreme Court are relevant:

In our view, the penalty is attracted as soon as contravention of the statutory obligations as contemplated by the Act is established and, therefore, the intention of the parties committing such violation becomes immaterial. In other words, the breach of a civil obligation which attracts penalty under the provisions of an Act would immediately attract the levy of penalty irrespective of the fact whether the contravention was made by the defaulter with any guilty intention or not.

The case under consideration is not even a case of imposition of penalty. For violation on the part of appellants, the Board has only issued a direction which is remedial and not punitive. Therefore, we are not inclined to interfere in the matter.



General Laws

LW 111.12.2012

TUKARAM KANA JOSHI & ORS v. M.I.D.C. & ORS [SC]

Civil Appeal No.7780 of 2012 (Arising out of SLP(C) No.2418 of 2012)

Dr. B.S. Chauhan & Jagdish Singh Khehar, JJ.

[Decided on 02/11/2012]



Land Acquisition Act, 1894 - Section 4 - Deemed acquisition of land - non payment of compensation for decades - Supreme Court settles the law.

Brief facts

The land in dispute was owned by the predecessors-in-interest of the appellants. A very large chunk of land including the said land stood notified under Section 4 of the Land Acquisition Act, 1894 (hereinafter referred to as the Act) on 6.6.1964 for the establishment of the Ulhas Khore Project i.e. a project for industrial development. However, no subsequent proceedings were taken up thereafter, and the acquisition proceedings lapsed. The predecessors-in-interest of the appellants were not merely illiterate farmers, but were also absolutely unaware of their rights and hence too inarticulate to claim them. Thus, they could be persuaded by the officers of the respondent authorities to hand over possession of the said land. Actual physical possession of the said land was taken by the State authorities and handed over to the Maharashtra Industrial Development Corporation (hereinafter called as the Development Corporation) in the year 1964 itself.

Similarly situated persons who were also deprived of their rights in a similar manner were granted compensation vide order dated 17.6.1966. The respondent-authorities realised in 1981 that grave injustice had been done to the appellants. Thus, in respect of the land in dispute, a fresh notification under Section 4 of the Act dated 14.5.1981 was issued. However, no further proceedings under the Act were initiated. The appellants had been pursuing the authorities persuading them to complete the deemed acquisition proceedings, but despite their efforts, even a declaration under Section 6 of the Act was not issued and therefore, such proceedings also died a natural death.

On 30.4.1988, the Development Corporation, under the instructions of the Government of Maharashtra handed over the possession of the said land to the City Industrial Development Corporation of Maharashtra (hereinafter referred to as CIDCO). The appellants were unable to get any compensation for the said land or even for that matter, any land in lieu of the lands so taken, in spite of their best efforts made in this regard. Various beneficial schemes were floated by the State authorities in favour of persons who had been deprived of their livelihood and those, whose land had been acquired for the same purpose and under such schemes, such uprooted persons were granted a particular piece of developed land, proportionate to their area acquired. But, appellants efforts in this regard also could not be fruitful.

As the appellants were unable to get any relief from any authority, though they were continuously pursuing their remedies by approaching the Special Land Acquisition Officer, as well as the Revenue Authorities of the State, without any success whatsoever, they then, feeling totally distraught/frustrated, approached the High Court of Bombay as a last resort, by filing Writ Petition No. 9513 of 2009. The same was dismissed by the

High Court only on the grounds of delay, and the non-availability of certain documents. Hence, this appeal.

Decision: Appeal disposed off with direction to pay compensation.

Reason

We have heard the learned counsel for the parties and perused the record.

Depriving the appellants of their immovable properties, was a clear violation of Article 21 of the Constitution. In a welfare State, statutory authorities are bound, not only to pay adequate compensation, but there is also a legal obligation upon them to rehabilitate such persons. The non-fulfilment of their obligations would tantamount to forcing the said uprooted persons to become vagabonds or to indulge in anti-national activities as such sentiments would be born in them on account of such ill-treatment. Therefore, it is not permissible for any welfare State to uproot a person and deprive him of his fundamental/constitutional/human rights, under the garb of industrial development.

The appellants have been deprived of their legitimate dues for about half a century. In such a fact-situation, we fail to understand for which class of citizens, the Constitution provides guarantees and rights in this regard and what is the exact percentage of the citizens of this country, to whom Constitutional/statutory benefits are accorded, in accordance with the law.

The appellants have been seriously discriminated against *qua* other persons, whose land was also acquired. Some of them were given the benefits of acquisition, including compensation in the year 1966. This kind of discrimination not only breeds corruption, but also dis-respect for governance, as it leads to frustration and to a certain extent, forces persons to take the law into their own hands. The findings of the High Court, that requisite records were not available, or that the appellants approached the authorities at a belated stage are contrary to the evidence available on record and thus, cannot be accepted and excused as it remains a slur on the system of governance and justice alike, and an anathema to the doctrine of equality, which is the soul of our Constitution. Even under valid acquisition proceedings, there is a legal obligation on the part of the authorities to complete such acquisition proceedings at the earliest, and to make payment of requisite compensation. The appeals etc. are required to be decided expeditiously, for the sole reason that, if a person is not paid compensation in time, he will be unable to purchase any land or other immovable property, for the amount of compensation that is likely to be paid to him at a belated stage.

In view of the above, the instant case represents a highly unsatisfactory and disturbing situation prevailing in one of the most developed States of our country.

Be that as it may, ultimately, good sense prevailed, and learned senior counsel appearing for the State came forward with a



welcome suggestion stating that in order to redress the grievances of the appellants, the respondent-authorities would notify the land in dispute under Section 4 of the Act within a period of 4 weeks from today. Section 6 declaration will be issued within a period of one week thereafter. As the appellants have full notice and information with respect to the proceedings, publication in the newspapers either of the notification or of the declaration under the Act are dispensed with. Notice under Section 9 of the Act will be served within a period of 4 weeks after the publication of Section 6 declaration and award will be made within a period of three months thereafter. The deemed acquisition proceedings would thus, be concluded most expeditiously. Needless to say, the market value of the land in dispute will be assessed as it prevails on the date on which the Section 4 notification is published in the Official Gazette. Payment of compensation/award amount will be made to the claimants/persons-interested immediately thereafter, along with all statutory benefits. The appellants shall be entitled to pursue the statutory remedies available to them for further enhancement of compensation, if so desired.

LW 112.12.2012

MAHAVIR SPINNING MILLS LTD v. HB LEASING & FINANCES CO.LTD [DEL]

RFA(OS) No. 110/2010.

Pradeep Nandrajog & Manmohan Singh, JJ.

[Decided on 06/11/2012]

Limitation Act, 1963 - Section 22 read with Articles 36, 37 and 55 - Lease agreement for leasing equipment- recovery of dues - Non-payment of monthly lease rental - whether constitutes continuous breach of contract - Held, No.

Brief facts

Mohta Industries Ltd (MIL) and the respondent entered into a lease agreement on May 31, 1984 whereby the respondent company agreed to let out the equipment to MIL. The term of the lease was 96 months. The rental payable was Rs.33,000/- per month for the period from May 31, 1984 to May 30, 1989 and Rs.660/- per month for the period from May 31, 1989 to May 30, 1992. MIL regularly paid the rental till September 30, 1986 but thereafter stopped paying rent despite several demands raised by the respondent company.

On April 01, 1988 MIL was amalgamated with the appellant company which took over all the liabilities of MIL including its liability to pay rent of the equipment to the respondent company. After amalgamation of MIL with the appellant company the

respondent company sent several letters to the appellant company seeking payment of rent of the equipment but to no avail. On June 20, 1991 the respondent company issued a legal notice to the appellant company demanding payment of rent of the equipment, in response where to the appellant company sent letter dated September 13, 1991 to the respondent company denying its liability to pay rent of the equipment. On May 29, 1992 the respondent company filed a suit for possession and recovery of a sum of Rs.23,04,199/- against the appellant company. The suit was decreed in favour of the respondent company.

Though in appeal several grounds were taken to assail the decree, we are concerned with the ground of limitation with respect to the recovery of unpaid instalments of lease rent from 1986 to 1992 as the issue deals with continuous breach of contract and successive breach of contract and period of limitation to sue therefor.

Decision : Decree modified.

Reason

Section 22 deals with the question as to when period of limitation commences for a suit or other proceeding in respect of various causes of action that may arise from the wrongful acts of parties. It provides that in the case of a continuing breach, or of a continuing tort, a fresh period of limitation begins to run at every moment of time during which the breach or the tort, as the case may be, continues. The underlying principle of this Section is that a plaintiff is not bound to launch an endless succession of suits each day a wrong persists. He can wait and include in the action all damages down to the date of suit.

Where rights and duties are created by the terms of a contract between the parties, a breach of a duty is a wrong arising out of contract. Where they are created otherwise than under a contract the breach of a duty is a wrong independent of contract. A breach of either of these duties is thus a wrong and the tests applicable to find out what is a continuing wrong are equally applicable to find out what is a continuing breach of contract. The criterion for application of Section 22 is not whether the right or its corresponding obligation is a continuing one, but whether the wrong is a continuing one.

Where the wrong consists of a breach of positive duty, i.e., to do something, the test to find out whether there is a continuing wrong is to see whether the duty is to continue to do that thing. If so, the omission to do that thing is a continuing wrong during the time the omission lasts. Where the wrong consists of a breach of negative duty, i.e., to refrain from doing something, the test to find out whether there is a continuing wrong is to see whether the wrongful act produce a state of affairs, every moment's continuance of which is a new wrong (i.e., which is a continuing source of injury) and is of such a nature as to render the doer of it responsible for the continuance. If the wrongful act is of such a nature, it is a continuing wrong.

The very essence of continuing wrong is that it is an act which creates a continuing source of injury and renders the doer of the act



responsible and liable for the continuance of said injury. If the wrongful act causes an injury which is complete, there is no continuing wrong even though the damage resulting from the act may continue.

In the instant case, the act of Mohta Industries of defaulting in payment of lease rental to the respondent company on 30th of each month causes an injury to the respondent company which is complete on the date fixed for non-payment of lease rental i.e. 30th of each month and is thus not a continuing wrong. As a necessary corollary to the aforesaid, it has to be held that Section 22 of the Limitation Act, 1963 has no application in the present case.

From the definitions of the promissory note [Negotiable Instruments Act] and bond [Indian Stamp Act], it is clear and beyond any doubt that the lease agreement dated May 31, 1984 entered into between the respondent company and Mohta Industries Ltd. is neither a promissory note nor a bond. Thus, Articles 36 applicable to promissory note and 37 applicable to bond have no application in the present case.

Though Article 55 has no application in the instant case, for it applies to suits where relief claimed is compensation for breach of contract. We note that from a conjunctive reading of Section 22 and Article 55 we get guidance that the Limitation Act draws a distinction between continuing breach of contract and successive breaches of contract. We have already dealt with the expression continuing breach of contract while discussing Section 22. Successive breaches occur when a party to a contract agrees to do or forbear from doing two or more different things; in such cases the contracting party may commit several breaches by not doing those things which he has contracted to do or by doing those things which he has contracted to do.

Whereas, as per Section 22, the cause of action for filing a suit in respect of continuing breach of contract arise on every moment of time during which the breach continues, Article 55 provides that in case of the successive breaches of contract the cause of action for filing a suit claiming compensation in respect of each individual breach arise on the date of occurrence of each breach.

When does the right to sue accrue in the instant case? In other words, when does the cause of action for filing the instant suit arise? In the instant case, as per the lease agreement dated May 31, 1984 entered into between Mohta Industries Ltd. and the respondent company, Mohta Industries Ltd./appellant company was under an obligation to pay lease rental to the respondent company on 30th of each month during the period of lease agreement. Mohta Industries Ltd./appellant company did not pay lease rental to the respondent company after September, 1986.

In view of the guidance offered to us by Section 22 and Articles 36, 37 and 55 we have no hesitation in holding that the cause of action for filing suit for the non-payment of lease rental for a particular month arose on the due date of the lease rental for such month. In the instant case, the term of the lease agreement dated May 31,

1984 was 96 months i.e. 8 years thus the agreement expired on May 30, 1992. Mohta Industries Ltd./appellant company did not pay lease rental to the respondent company after September, 1986. The lease rental payable was Rs.33,000/- per month for the period from May 31, 1984 to 30.05.1989 and Rs.660/- per month for the period from May 31, 1989 to May 30, 1992. The suit in question was filed on May 29, 1992. The suit in question pertaining to non-payment of lease rental for the period from October, 1986 to April, 1989 is barred by limitation inasmuch as the suit was filed after the expiry of 3 years from the due date(s) of the lease rentals for such months. The suit pertaining to non-payment of lease rental for the remaining period i.e. the period from May, 1989 to May, 1992 is well within limitation for the suit was filed within the period of 3 years from the due date(s) of the lease rental for such months.

In view of the above discussion, the respondent company is entitled to Lease rental in sum of Rs.33,000/- for the month of May, 1989 + lease rental in sum of Rs.660/- per month for the period from June, 1989 to May, 1992.

LW 113.12.2012

M.S SMS-VISHWA(JV) v. ICICI BANK LTD & ORS [DEL]

IA No. 19947/2012 in CS(OS) No. 3190/2012.

V.K. Jain, J.

[Decided on 09/11/2012]

Civil Procedure Code, 1908 - Territorial jurisdiction of courts - Plaintiff is in Delhi and defendant is in Thane - Contract entered into at Thane for work to be done there - Bank guarantees submitted at Thane - Whether Delhi courts have jurisdiction to try the suit - Held, No.

Brief facts

Defendant No.4 Thane Municipal Corporation awarded the work of providing laying and commissioning of gravity sewers alongwith construction of manholes for sewerage network and design, construction, supply, erection, testing etc. of sewerage pumping stations to the plaintiff company and an agreement dated 27.2.2009 in this regard was executed between them. In terms of the agreement plaintiff furnished eight bank guarantees to Defendant No.4, which encashed them.

The case of the plaintiff is that since the contract has not been terminated, but has rather been extended till March, 2013, and the physical possession of the whole of the land was not given to them, there is no breach of the contract on its part and there has been no



ground for invocation of the Bank Guarantees in question. The plaintiff is also alleging fraud on the ground that whole of the land was not available with defendant No.4 when the work was awarded to it.

The plaintiff has accordingly sought injunction restraining defendants No.1 to 3, which are the banks which issued the Bank Guarantees in question, from depositing the amount of the Bank Guarantees pursuant to the communication dated 31.10.2012 sent to them by defendant No.4. The plaintiff is also seeking injunction restraining defendant No.4 from encashing the aforesaid Bank Guarantees.

Decision : Interim injunction refused.

Reason

I need not to go into the question as to whether there was any breach of the contract, on the part of the plaintiff or not, since *prima facie* I am of the view that this Court has no territorial jurisdiction to try the present suit. The case of the plaintiff, as set out in the plaint and also canvassed during arguments was that the agreement dated 27.2.2009 was signed on behalf of the defendant no.4 at Mumbai and then sent to the plaintiff at Delhi, where it was signed by its Authorized Signatory. Since defendant no.4 is a public body, in case it were to sign the agreement at Mumbai and then send it to Delhi for signatures on behalf of the plaintiff company, the agreement would have been sent to the plaintiff company along with a forwarding letter. Since there was no reference to any such forwarding letter in the plaint, I asked the learned counsel for the plaintiff as to what was the mode of sending the agreement from Mumbai to Delhi. The learned counsel for the plaintiff stated that the agreement, after being sent on behalf of defendant no.4, was sent to Delhi through a special messenger without any forwarding letter. However, there is no averment to this effect in the plaint and on being asked, the learned counsel for the plaintiff could not give either the name or designation of the officer/official who allegedly brought the agreement from Mumbai to Delhi. In the ordinary course of conduct of their business, public bodies such as defendant no.4 do not act in the manner stated by the plaintiff and the agreement is signed by all the parties at the same place. Ordinarily, the contractor executes such agreement in the office of the concerned public body where it is also signed on behalf of the said public body. In fact, the stamp of Typing and Computer Centre, where this agreement appears to have been typed, is of Thane and bears the date 27.2.2009. The agreement purports to have executed on 27.2.2009 and the authorized signatory of the plaintiff has also signed it on the same date. It is difficult to accept that the agreement was typed at Thane, signed by the Chief Engineer of defendant no.4 at Thane, sent to Delhi through a special messenger and then signed by the authorized signatory of the plaintiff at Delhi and all this happened in day i.e. on 27.2.2009. It would be difficult for me to accept that all these tasks were accomplished on the same date i.e. 27.2.2009. Therefore, *prima facie*, I am unable to accept the contention that the

agreement dated 27.2.2009 was executed by the defendant no.4 at Thane and by the plaintiff at Delhi. It appears to me that the agreement was executed at Thane and was signed there on behalf of both the parties on 27.2.2009.

In the case before this Court, if the contract was executed at Thane, as appears to be the case, this Court would have no jurisdiction to entertain the present suit, since undisputedly the Bank Guarantees were submitted at Thane and the contract was to be executed within the jurisdiction of defendant no.4 at Thane. Since *prima facie*, it appears to me that this Court had no territorial jurisdiction to try the present suit, grant of *ad interim ex parte* injunction by this IA 19947/2012 in Court against encashment of the Bank Guarantees would not be justified. The request for grant of *ex parte ad interim* injunction is, therefore, declined.

LW 114.12.2012

PREMLAXMI & CO v. KONKAN RAILWAY CORPORATION LTD & ORS [BOM]

Arbitration Petition No. 570 of 2009

Anoop v. Mohta, J.

[Decided on 29/10/2012]

Arbitration And Conciliation Act, 1996 - Section 34 - appeal against the award - work to be executed in Ratnagiri - arbitration proceedings took place in Mumbai - Award passed in Mumbai - whether Mumbai court has jurisdiction to entertain the appeal - Held, No.

Brief facts

Appellant challenged the award passed by the arbitrator. As the arbitration proceedings took place in Mumbai where the award was passed, the appeal was filed in the Bombay High Court. The core issue was whether the court has jurisdiction to entertain the appeal.

Decision : Appeal dismissed.

Reason

Admittedly, there is no specific clause of Court jurisdiction. Merely because an application under Section 11 of the Arbitration Act was filed by the petitioner and whereby an arbitral tribunal was constituted that itself cannot give jurisdiction to this Court to entertain Section 34 petition as filed.

Admittedly, basic cause of action arose at Ratnagiri as the construction was of a tunnel at Ratnagiri. Section 2(e) of the Arbitration Act deals with the term "Court". Therefore, the Court at Ratnagiri has jurisdiction to deal with and entertain such application against the award, though passed by the arbitral tribunal by the consent of parties by holding meetings in Mumbai. The place of



arbitration in Mumbai is not sufficient to decide jurisdiction of this Court to entertain Section 34 application. The submission that in view of Section 42 and as admittedly Section 11 application was filed in this Court, therefore, this Court has jurisdiction to entertain the present petition is unacceptable. The Court as contemplated in Section 2(e) and Section 42 cannot be compared with and cannot mean the Chief Justice and/or the designated Judge, as contemplated under Section 11 of the Arbitration Act. Both are different and distinct entity.

Section 34 itself, therefore, needs to be read with Section 2(e) which means the Court where cause of action arose and/or subject matter of the arbitration situated. Therefore, when admittedly the construction work was at Ratnagiri, the "Court" at Ratnagiri has jurisdiction to entertain such petition. The Apex court in *Garhwal Mandal Vikas Nigam Ltd. v. Krishna Travel Agency* [(2008) 6 SCC 745] has dealt with the aspect in following terms:

We further reiterate that the view taken by this Court in *National Aluminium Company Ltd. v. Pressteel and Fabrications (P) Ltd.* [(2004) 1 SCC 540] and *State of Goa v. Western Builders* [(2006) 6 SCC 239] is the correct approach and we reaffirm the view that in case any appointment of arbitrator is made by the High Court under

Section 11(6), the Principal Civil Court of Original Jurisdiction remains the District Court and not the High Court. And likewise, if an appointment of the arbitrator is made by this Court, in that case also, the objection can only be filed before the Principal Civil Court of Original Jurisdiction as defined in Section 2(1)(e) of the 1996 Act. Thus, in this view of the matter, we hold that the plea raised by Learned Counsel for the petitioner that this Court should entertain the award given by the arbitrator appointed by this Court and all objections to it should be disposed of by this Court is unacceptable and consequently, the prayer made in the application is rejected.

This Court also, though prior to the Constitution Bench decision in *Konkan Railway Corporation Ltd.* referring to Section 42 read with Section 2(e) taken the view, which covered the present facts and circumstances also in favour of the preliminary objection. The decision given by this Court (by D.K. Deshmukh, J., as he then was) in *Garden Finance Ltd. v. Prakash Industries Ltd.* [2001 (4) Mh. L.J. 425] has dealt with this facet in detail. I am in agreement with the same. Even from the plain reading of these two Sections, I am inclined to accept the submission by the Learned Counsel appearing for respondents that this Court has no jurisdiction. The arbitration petition is, therefore, without expressing anything on merits, disposed off as not maintainable.

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



From the Government

Corporate Laws



01 Filing of Balance Sheet and profit and Loss Account by companies in Non - XBRL for the accounting year commencing on or after 01.04.2011

[Issued by the Ministry of Corporate Affairs vide General Circular No. 38/2012 dated 23.11.2012.]

In continuation of General Circular No. 30/2012 dated 28.09.2012 on the subject cited above, I am directed to say that Due date of filing of e-forms 23AC(Non-XBRL) and 23ACA (Non XBRL) as per new schedule VI (applicable for the accounting year commencing on or after 1.4.2011) has been extended upto 24.11.2012 for Companies holding AGM or whose due date for holding AGM is on or after 21.09.2012.

Such companies can now file these eForms without any additional fees upto 24.11.2012 or due date of filing, whichever is later.

This has been issued with the approval of the competent authority.

Sanjay Kumar Gupta

02 Examination of Balance Sheets by RoCs

[Issued by the Ministry of Corporate Affairs vide General Circular No. 37/2012 dated 06.11.2012.]

It is considered expedient to issue the following circular for general information.

2. Every company registered under the provisions of the Companies Act, 1956 is required to file its balance sheet annually with the office of the Registrar of Companies within whose jurisdiction the registered office of the company is located. Presently, there are more than 8 lakh companies registered with various offices of the RoCs located all over the country. Balance sheets of all the companies who carry out the filing are available for public inspection on the portal of this Ministry (<http://www.mca.gov.in>). The underlying idea behind the filing of balance sheets and other documents which require similar filings is to publicly disclose information which reflects various aspects of the working of a company so that the company's public accountability is maintained. It is neither intended nor feasible for the Registrars to scrutinize or verify the contents of filing except on a random basis. Companies and its Directors and officials are liable to be penalized for any incorrect, false or misleading information that such filing disclose. In the following cases, however, the Registrars routinely scrutinize balance sheets:
 - (i) of companies against whom there are complaints;
 - (ii) of companies which have raised money from the public through public issue of shares/ debentures etc.;
 - (iii) in cases where the auditors have qualified their reports.
 - (iv) Default in payment of matured deposits and debentures.
 - (v) References received from other regulatory authorities pointing out violations/irregularities calling for action under the Companies Act, 1956.
3. After the scrutiny suitable steps are initiated wherever necessary to obtain explanation and clarification and to institute inspections, investigations and prosecutions wherever warranted.

L.R. Meena
Joint Director

03 Appointment of Cost Auditor by Companies

[Issued by the Ministry of Corporate Affairs vide General Circular No. 36/2012 dated 06.11.2012.]

In continuation of the General Circular No. 15/2011 dated 11th April 2011, Ministry hereby makes the following changes:

- (a) The company shall, within thirty days from the date of approval by MCA of the application made to the Central Government in the prescribed Form 23C seeking its prior approval for the appointment of cost auditor, issue formal



letter of appointment to the cost auditor, as approved by the Board.

- (b) The cost auditor shall, within thirty days of the date of formal letter of appointment issued by the company, inform the Central Government in the prescribed form 23D, alongwith a copy of such appointment.
- (c) In case of change of cost auditor caused by the death of existing cost auditor, companies are allowed to file fresh e-form 23C, without any additional fee, within 90 days of the date of death. The additional fee payable as per the Companies (Fees on Applications) Rules, 1999 [as amended] shall become applicable after expiry of the said 90 days. Accordingly, e-forms 23C and 23D are being modified to capture such details.
- (d) In case of change of cost auditor for reasons other than death of the existing cost auditor, companies are required to file fresh eform 23C with applicable fee & additional fee, clearly specifying the reasons of change. In case of change due to resignation of the existing cost auditor, e-form 23C should be accompanied by the resignation letter of the existing cost auditor. In case of change due to the management policy of periodical rotation, then attach a copy of the Board approved rotational policy with the e-form 23C. In any other case, the change should be duly justified and supported with the relevant documents.
- (e) In order to ensure compliance of section 224(1-B) of the Companies Act 1956, required changes are being made in the MCA21 system to restrict the number of cost audit approvals to the limits specified in section 224(1-B) through a counter on the membership number of the sole proprietor or partner of the firm. It will be further ensured that in case of a sole proprietor, he has completed the audit and submitted the cost audit report. In case of a partnership firm, the partner so appointed or any other partner of the same firm is allowed to complete the audit & submit cost audit report subject to his total numbers not exceeding the limit specified in section 224(1-B).
2. MCA is regularly receiving requests from the companies and cost auditors for making corrections in the e-forms 23C & 23D in respect of minor typographical errors or other mistakes such as incorrect financial year, incorrect name of the cost auditor or the cost audit firm, incorrect PAN number, incorrect scope of audit, etc. In MCA21 system, no changes are permitted in the approved e-forms.

Therefore, all companies and cost auditors are hereby informed to carefully verify all particulars before uploading e-forms 23C or 23D on the MCA21 portal. In any rare case, if still any error/mistake is observed, it should be brought to the notice of MCA well before its approval enabling it to return the said e-form for re-submission after making the required corrections. Else, the companies and cost auditors shall be required to file fresh e-forms 23C & 23D containing correct particulars,

alongwith the applicable fee and additional fee.

3. If a company or the cost auditor contravenes any provisions of this circular, the company and every officer thereof who is found to be in default, and the cost auditor in case he is in default, shall be punishable as per applicable provisions of the Companies Act, 1956.
4. The modifications contained in this circular shall be effective from the financial year commencing on or after the 1st day of January, 2013.
5. The Institute is requested to bring this to the general information of all Members in practice, and of the corporate sector.

B. B. Goyal
Adviser (Cost)

04 Default by the Cost Auditors in filing Form 23D against the corresponding Form 23C

[Issued by the Ministry of Corporate Affairs vide General Circular No. 35/2012 dated 05.11.2012.]

Ministry of Corporate Affairs vide General Circular No. 15/2011 dated April 11, 2011 had prescribed a revised procedure to be followed for appointment of cost auditors. As per the revised procedure, each company is required to e-file its application with the Central Government in the prescribed Form 23C within ninety days from the date of commencement of each financial year, which shall be approved by MCA within 30 days.

2. Upon approval by MCA, the company is required to issue formal letter of appointment to the cost auditor, who shall, within 30 days of receipt of such letter of appointment, inform the Central Government in the prescribed Form 23D alongwith a copy of such appointment.
3. It is, however, observed that since April 1, 2011, though all the appointment applications made by the companies concerned in Form 23C have already been approved by the MCA, a large number of cost auditors have defaulted in filing the required Form 23D within the stipulated time. In many cases, the default period is even more than a year. This has been viewed very seriously by the Ministry.
4. Keeping in view the initial operation of the revised procedure, all the defaulting cost auditors are requested to file their required Form 23D that have already become due till date, by December 16, 2012 positively. In case of any further default, names of such defaulting members shall be sent to the Institute on December 17, 2012 intimating the Institute to initiate Disciplinary Proceedings against them under the relevant provisions of Cost and Works Accountants Act, 1959.
5. In cases where the company concerned, after approval of



From the Government

Form 23C, has failed to issue the formal letter of appointment to the cost auditor, they shall do so within 15 days of the issue of this Circular enabling the cost auditor to file Form 23D within the extended time indicated above. In case of non-compliance, the company and every officer thereof who is found to be in default shall be punishable as per provisions of the Companies Act, 1956.

6. The Institute is requested to circulate this for the information of all concerned.

B. B. Goyal
Adviser (Cost)

05 Inventory Management for Market Makers of SME Exchange/Platform

[Issued by the Securities and Exchange Board of India vide CIR/MRD/DSA/31/2012 dated 27.11.2012.]

1. SEBI vide circular dated April 26, 2010 has issued guidelines for market makers on stock exchange/trading platform by a recognized stock exchange having nationwide trading terminals for Small and Medium Enterprises (SMEs).
2. Further, SEBI vide circular dated May 18, 2010 prescribed the framework for setting up of a stock exchange/trading platform by a recognized stock exchange having nationwide trading terminals for Small and Medium Enterprises (SMEs).
3. In this regard it has been decided to make applicable, limits on the upper side for market makers during market making process taking into consideration the issue size in the following manner -

Issue Size	Buy quote exemption threshold <i>(including mandatory initial inventory of 5% of issue size)</i>	Re-entry threshold for buy quotes <i>(including mandatory initial inventory of 5% of issue size)</i>
Upto ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

4. Further, the following shall apply to market makers while managing their inventory during the process of market making:
 - i. The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.
 - ii. Threshold for market making as prescribed will be inclusive of mandatory inventory of 5% of issue size at the time of allotment in the issue.

- iii. Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.
 - iv. Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold.
 - v. Threshold limit will take into consideration, the inventory level across market makers.
 - vi. The market maker shall give two way quotes till he reaches the upper limit threshold, thereafter he has the option to give only sell quotes.
 - vii. Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
 - viii. In view of the market maker obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.
5. All stock exchanges are advised to:
 - i. make necessary amendments, if any to the relevant bye laws, rules and regulations for the implementation of the above decision.
 - ii. disseminate the same on their website for easy access to the market makers and other market participants.
 - iii. communicate to SEBI, the status of implementation of the provisions of this circular in the monthly development report.

6. 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. This circular shall come into effect immediately. This circular is available on SEBI website at www.sebi.gov.in

Rajesh Kumar D
Deputy General Manager

06 Review of the Securities Lending and Borrowing (SLB) Framework

[Issued by the Securities and Exchange Board of India vide CIR/MRD/DP/30/2012 dated 22.11.2012.]

1. The framework for SLB was specified vide circular no. MRD/DoP/SE/Dep/Cir-14 /2007 dated December 20, 2007 and operationalised with effect from April 21, 2008. The SLB framework was revised vide circular no. MRD/DoP/SE/Cir- 31/2008 dated October 31, 2008,



circular no. MRD/DoP/SE/Dep/Cir- 01 /2010 dated January 06, 2010 and circular no. CIR/MRD/DP/33/2010 dated October 07, 2010. The framework for SLB is hereby modified as under:

1.1. Introduction of roll-over facility

- 1.1.1. Any lender or borrower who wishes to extend an existing lent or borrow position shall be permitted to roll-over such positions i.e. a lender who is due to receive securities in the pay out of an SLB session, may extend the period of lending. Similarly, a borrower who has to return borrowed securities in the pay-in of an SLB session, may, through the same SLB session, extend the period of borrowing. The roll-over shall be conducted as part of the SLB session.
- 1.1.2. Rollover shall not permit netting of counter positions, i.e. netting between the 'borrowed' and 'lent' positions of a client.
- 1.1.3. Roll-over shall be available for a period of 3 months i.e. the original contract plus 2 rollover contracts.

1.2. Introduction of liquid Index Exchange Traded Funds (ETFs) under the SLB scheme

- 1.2.1. Liquid Index ETFs shall be eligible for trading in the SLB segment.
- 1.2.2. For the purposes of this circular, an Index ETF shall be deemed 'liquid' provided the Index ETF has traded on at least 80% of the days over the past 6 months and its impact cost over the past 6 months is less than or equal to 1%.
- 1.2.3. Positions limits for SLB in respect of ETFs shall be based on the assets under management of the respective ETF.

2. Stock Exchanges and Depositories are advised to:
 - 2.1. Take necessary steps and put in place necessary systems for implementation of the above.
 - 2.2. Make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.
 - 2.3. Bring the provisions of this circular to the notice of the member brokers of the stock exchange and depository participants to disseminate the same on their website.
3. 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.

Maninder Cheema
Deputy General Manager

07 Mini derivative (Futures & Options) contract on Index (Sensex & Nifty)

[Issued by the Securities and Exchange Board of India vide CIR/DRMNP/4/2012 dated 20.11.2012.]

1. SEBI vide Circular No. SEBI/DNPD/Cir-33/2007 dated December 27, 2007 had permitted Stock Exchanges to introduce mini derivative contract on Index (Sensex and Nifty) with a minimum contract size of INR 1 lakh.
2. With a view to ensure that small/retail investors are not attracted towards derivatives segment, it has now been decided to discontinue mini derivative contracts on Index (Sensex and Nifty).
3. Exchanges are directed to take necessary action to give effect to this circular. No fresh mini derivatives contracts shall be issued. However, the existing unexpired contracts may be permitted to trade till expiry and new strikes may also be introduced in the existing contract months. Further, Exchanges are also directed to give due notice to the market in this regard.
4. 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.
5. This circular is available on SEBI website at www.sebi.gov.in under the category "Derivatives-Circulars".

Shashi Kumar
Deputy General Manager

08 Circular on Mutual Funds

[Issued by the Securities and Exchange Board of India vide CIR/IMD/DF/24/2012 dated 19.11.2012.]

A. Amendments to SEBI (Mutual Funds) Regulations, 1996

1. Please find enclosed a copy of the gazette notification No. LAD-NRO/GN/2012- 13/17/21502 dated September 26, 2012 pertaining to Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2012, for your information and implementation.

B. Prudential limits and disclosures on portfolio concentration risk in debt oriented mutual fund schemes

1. Presently, the guidelines issued on prudential limit for sectoral exposure in debt oriented mutual fund schemes put a limit of 30% at the sector level. However, in light of



the important role played by the Housing Finance Companies (HFCs) in the housing sector, it has been decided that an additional exposure not exceeding 10% of net assets of the scheme shall be allowed only to HFCs as part of financial services sector for prudential limits in debt oriented schemes.

2. In partial modification to SEBI Circular No.CIR/IMD/DF/21/2012 dated September 13, 2012, clause 1 of Para (J) shall read as under:

"1.Mutual Funds/AMCs shall ensure that total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, TBills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of the scheme;

Provided that an additional exposure to financial services sector (over and above the limit of 30%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only;

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 30% of the net assets of the scheme."

C. Brokerage and Transaction Cost

1. In order to align with the regulation 52(6A)(a) of the SEBI (Mutual Funds) Regulations 1996, the provisions of Para-B(4) of SEBI Circular No.CIR/IMD/DF/21/2012 dated September 13, 2012 is modified, and the revised provisions shall read as under:

"Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under regulation 52 of the Regulations."

2. It is clarified that the brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 12bps and 5bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the trustee or sponsors.

D. Credit of exit load to scheme

1. In terms of new regulation 51A of SEBI (Mutual Funds)

Regulations, 1996, the exit load charged, if any, would be credited to the scheme. Accordingly, Para-4(c) of SEBI circular SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 stands withdrawn.

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 77 of SEBI (Mutual Funds) Regulations, 1996, to protect the interests of investors in securities and to promote the development of and to regulate the securities market.

Parag Basu
General Manager

SECURITIES AND EXCHANGE BOARD OF INDIA (MUTUAL FUNDS)

(SECOND AMENDMENT) REGULATIONS, 2012.

[Published in Gazette of India Extraordinary, Part-III-Section-4 dated 26.09.2012.]

No. LAD-NRO/GN/2012-13/17/21502 - In exercise of the powers conferred under section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to amend the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, namely:-

1. These regulations may be called the Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2012.
2. These regulations shall come into force on the first day of October, 2012.
3. In the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996—
 - i. in regulation 48, sub-regulation (2) and the proviso shall be substituted with the following, namely -
 "(2)The Net Asset Value of the scheme shall be calculated on daily basis and published in at least two daily newspapers having circulation all over India."
 - ii. after regulation 51, the following new regulation shall be inserted, namely-
"Credit of exit load to scheme.
51A. The exit load charged, if any, after the commencement of the SEBI (Mutual Funds) (Second Amendment) Regulations, 2012, shall be credited to the scheme."
 - iii. in regulation 52,-
 A. sub- regulation (2) shall be substituted with the following, namely-
 "(2) The asset management company may charge the scheme with investment and advisory fees which shall be fully disclosed in



the offer document.”

B. in sub-regulation (4), the words “mutual fund” shall be substituted with the word “scheme”.

C. in sub-regulation (6),-

I. for clause (a), the following shall be substituted, namely-

“(a) in case of a fund of funds scheme, the total expenses of the scheme including weighted average of charges levied by the underlying schemes shall not exceed 2.50 per cent of the daily net assets of the scheme.”.

II. in clause (b), the words “weekly average” shall be substituted with the words “daily”.

III. in clause (c), the words “or average weekly” and “or weekly average” wherever appearing shall be omitted.

D. after sub-regulation (6), the following new sub-regulation shall be inserted, namely-

“(6A) In addition to the limits specified in sub-regulation (6), the following costs or expenses may be charged to the scheme, namely-

(a) brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions;

(b) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such cities as specified by the Board from time to time are at least -

(i) 30 per cent of gross new inflows in the scheme, or;

(ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis:

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities:

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment;

(c) additional expenses, incurred towards different heads mentioned under sub-regulations (2) and (4), not exceeding 0.20 per cent of daily net assets of the scheme”.

E. in sub-regulation (7), the words, symbols and number “sub-regulation (6)” shall be substituted with the words, symbols and numbers “subregulations (6) and (6A)”.

iv. for regulation 59, the following shall be substituted, namely-

“Half-yearly Disclosures.

59. (1) A mutual fund and asset management company shall within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on their website:

Provided that the half-yearly unaudited report referred to in this subregulation shall contain details as specified in Twelfth Schedule and such other details as are necessary for the purpose of providing a true and fair view of the operations of the mutual fund.

(2) A mutual fund and asset management company, shall publish an advertisement disclosing the hosting of such financial results on their website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the mutual fund is situated.”.

v. In Twelfth Schedule, in serial number 6.5, the words and symbols “daily/weekly average” wherever appearing shall be substituted with the word “daily”.

U. K. Sinha
Chairman

09 Participation of mutual funds in Credit Default Swaps (CDS) Market as Users (“Protection Buyers”) and in repo, in corporate debt securities

[Issued by the Securities and Exchange Board of India vide CIR/IMD/DF/23/2012 dated 15.11.2012.]

A. CDS – mutual funds as users (protection buyers)

1. The Reserve Bank of India (RBI), vide notification No. IDMD.PCD.No.5053/14.03.04/2010-11 dated May 23, 2011, has issued the ‘Guidelines on Credit Default Swaps for Corporate Bonds’.

2. It has been decided to permit mutual funds to participate



From the Government

in CDS market, as per the guidelines issued by RBI from time to time, subject to the following conditions:

- Mutual funds shall participate in CDS transactions only as users (protection buyer). Thus, mutual funds are permitted to buy credit protection only to hedge their credit risk on corporate bonds they hold. They shall not be allowed to sell protection and hence not permitted to enter into short positions in the CDS contracts. However, they shall be permitted to exit their bought CDS positions, subject to para 2(d) below.
- Mutual funds can participate as users in CDS for the eligible securities as reference obligations, constituting from within the portfolio of only Fixed Maturity Plans (FMP) schemes having tenor exceeding one year.
- Mutual funds shall buy CDS only from a market maker approved by the RBI and enter into Master Agreement with the counterparty as stipulated under RBI Guidelines. Exposure to a single counterparty in CDS transactions shall not exceed 10% of the net assets of the scheme.
- The cumulative gross exposure through credit default swap in corporate bonds along with equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme.
- The total exposure related to premium paid for all derivative positions, including CDS, shall not exceed 20% of the net assets of the scheme.
- Before undertaking CDS transactions, mutual funds shall put in place a written policy on participation in CDS approved by the Board of the Asset Management Company and the Trustees as per the guidelines specified by RBI and Securities and Exchange Board of India (SEBI). The policy shall be reviewed by mutual funds, at least once a year.
- To enable the investors in the mutual funds schemes to take an informed decision, the concerned Scheme Information Document (SID) shall disclose the intention to participate in CDS transaction in corporate debt securities in accordance with directions issued by RBI and SEBI from time to time, and related information as appropriate in this regard.
- Mutual funds shall also disclose the details of CDS transactions of the scheme in corporate debt securities in the monthly portfolio statements as well as in the half yearly trustee report, as per the format placed at Annexure-A. Further, mutual funds shall disclose the schemewise details of CDS transactions in the notes to the accounts of annual report of the mutual fund as per the format placed at Annexure-B.

- Mutual funds participating in CDS transactions, as users, shall be required to comply with the guidelines issued by RBI, vide notification no. IDMD.PCD.No.5053/14.03.04/2010-11 dated May 23, 2011 and subsequent guidelines issued by RBI and SEBI from time to time.

B. Participation of mutual funds in repo in corporate debt securities

- SEBI vide circular no. CIR/IMD/DF/19/2011 dated November 11, 2011, allowed mutual funds to participate in repo in corporate debt securities.
- In order to encourage growth of the corporate bond market, it has been decided that base of eligible securities may be expanded, for mutual funds to participate in repo in corporate debt securities, from AAA rated to AA and above rated corporate debt securities.
- Therefore, in partial modification to the aforesaid circular, para 3 (c) of the circular shall now read as under:

"Mutual funds shall participate in repo transactions only in AA and above rated corporate debt securities."

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 the provision of Regulation 77 of SEBI (Mutual Funds) Regulation, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market

Parag Basu
General Manager

Annexure-A

Format for disclosure to be made in the monthly portfolio statements and half-yearly trustee report

Counter-party Details			Details of the underlying			Details of Protection			Credit event payments received
Name	Rating	Sector	Name of the reference entity	Amount (FV)	Residual Maturity	Amount	Tenor	Price/Spread (bps)	

(Amount in ₹ crore, Residual Maturity/Tenor in years)

Annexure-B

Format for disclosure to be made in the notes to account of annual report of the mutual funds

- No. of transactions during the year
- Amount of protection bought during the year
- No. of transactions where credit event payment was received during the year:
 - Pertaining to current years transactions.
 - Pertaining to previous year (s) transactions.
- Outstanding transactions as on year end:
 - No. of transactions
 - Amount of protection
- Net income/ expense in respect of CDS transactions during year-to-date:
 - Premium Paid
 - Credit event payments received (net of value of derivable obligations)



10 Arbitration Mechanism in Stock Exchanges

[Issued by the Securities and Exchange Board of India vide CIR/MRD/ICC/29/2012 dated 07.11.2012.]

1. Reference may be made to circular no. CIR/MRD/DSA/29/2010 dated August 31, 2010. In this regard, SEBI has received inputs regarding amount to be deposited by the investors at the time of making arbitration reference. Accordingly, para 7.2 of the circular no. CIR/MRD/DSA/29/2010 dated August 31, 2010 is being modified. The para 7.2 of aforementioned circular dated August 31, 2010 shall now read as under:

"7.2 A client, who has claim / counter claim upto Rs. 10 lakh and files arbitration reference, shall be exempt from the deposit. Expenses thus arising with regard to such applications shall be borne by the Stock Exchanges."

2. The stock exchanges are advised to:-
 - a. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision immediately;
 - b. bring the provisions of this circular to the notice of the members of the stock exchange and also to disseminate the same through their website; and
 - c. communicate to SEBI, the status of implementation of the provisions of this circular in the Monthly Development Reports to SEBI.
3. SEBI inspection of stock exchange shall cover implementation of this circular.
4. 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 and shall come into effect immediately.
5. This Circular is available on SEBI website at www.sebi.gov.in.

B K Gupta

Deputy General Manager

11 Debt Allocation Mechanism for FII

[Issued by the Securities and Exchange Board of India vide CIR/IMD/FIIC/22/2012 dated 07.11.2012.]

- 1, SEBI vide circular CIR/IMD/FIIC/1/2012 dated January 03, 2012 had provided the facility of re-investment up to two years from the date of the circular or to the extent of twice the size of the debt portfolio, to those FIIs and sub-

accounts that had already acquired limits and for invested in debt in the manner prescribed in the said circular. With a view to provide operational flexibility, beginning January 01, 20 14, it has been decided that the FIIs/Sub-Accounts can re-invest during each calendar year to the extent of 50% of their debt holdings at the end of the previous calendar year.

2. In partial modification to para 6,1 of circular CIR/IMD/FIIC/18 /2010 dated November 26, 2010, it has been decided that the time period for utilization of the Government debt limits (for both old and long term limits) allocated through bidding process shall be 30 days while the time period for utilization of the corporate debt limits (for both old and long term infra limits) allocated through bidding process shall be 60 days,
3. Further, in partial modification to para 4 of circular CIR/IMD/ FIIC/ I S/ 2012 dated June 26, 2012, it has been decided that FII/sub-accounts may avail limits in the Corporate Debt Long Term Infra category without obtaining SEBI approval till the overall FII investments reaches 90% (ninety percent), after which the auction mechanism shall be initiated for allocation of remaining limits, SEBI will put in place a mechanism to monitor the utilization of the limit.

This circular is issued in exercise of powers conferred under SEBI 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.

A copy of this circular is available at the web page "F.I.I." on our website www.sebi.gov.in. The custodians are requested to bring the contents of this circular to the notice of their FII clients.

S Madhusudhanan
Deputy General Manager

12 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/28/2012 dated 02.11.2012.]

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:



From the Government

- 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.

Maninder Cheema
Deputy General Manager

Annexure A

Sr. No.	Name of the Company	ISIN
1.	Drillco Metal Carbides Limited	INE501N01012
2.	Shree Krishna Biotech Limited	INE571N01015
3.	NCC Bluewater Products Limited	INE630N01019
4.	Hindustan Foods Limited	INE254N01018
5.	Sanghi Corporate Services Limited	INE998M01012
6.	Bonanza Industries Limited	INE143N01013
7.	Yamini Investments Company Limited	INE457N01017
8.	Prima Agro Limited	INE297D01018
9.	Prima Industries Limited	INE723N01012
10.	Jolly Merchandise Limited	INE601N01010
11.	Dhanleela Investments & Trading Company Limited	INE683D01019
12.	Parekh Distributors Limited	INE528D01016
13.	Marvel Vinyls Limited	INE345L01018
14.	UNI Tubes Limited	INE184E01016
15.	Ratnamani Agro Industries Limited	INE679N01016
16.	E-Wha Foam India Limited	INE439N01015
17.	Four K Animation Limited	INE452N01018
18.	Suryakrupa Finance Limited	INE381N01019
19.	Radix Industries (India) Limited	INE576N01014
20.	Indo Euro Indchem Limited	INE319N01019
21.	Euro Finmart Limited	INE914E01024
22.	Pacheli Enterprises Limited	INE713M01015
23.	Eduexel Infotainment Limited	INE611F01015

13 Change of Name in the Beneficial Owner (BO) Account

[Issued by the Securities and Exchange Board of India vide CIR/MRD/DP/27/2012 dated 01.11.2012.]

1. In order to simplify the procedure of change of name in individual Beneficial Owner's (BO) account, it has been decided that an individual BO may be allowed to change his/ her name, subject to the submission of following documents at the time of change of name of the individual in the BO account.
 - i. In case of change in name on account of marriage

following documents shall be submitted:

- a. Marriage Certificate or copy of Passport showing husband's name or publication of name change in official gazette.
- ii. In case of change in name on account of reasons other than marriage
 - a. Publication of name change in official gazette.
- iii. In case of change in father's name
 - a. Publication of name change in official gazette.
2. The Depository Participants (DPs) shall collect the self attested copies of above documents and maintain the same in their records after verifying with the original document.
3. The Depositories are directed to-
 - i. implement the above provisions within three months from the date of issue of this circular.
 - ii. ensure that they will have the system to keep audit trail of the name change in the BO account similar to that of address change or any other change of co-ordinates;
 - iii. make amendments to the relevant Bye-Laws, Business Rules and DP Operating Instructions for the implementation of the above decision, as may be applicable or necessary;
 - iv. bring the provisions of this circular to the notice of the DPs and also to disseminate the same on their website.
4. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Section 19 of the Depositories Act, 1996 in the interests of investors in securities and to promote the development of, and to regulate the securities market.

Maninder Cheema
Deputy General Manager

SECURITIES AND EXCHANGE BOARD OF INDIA (NOTIFICATION)

Notification regarding establishment of Local Office of the Board at Bhubneshwar

[Published in Gazette of India Extraordinary, Part-III-Section-4 dated 19.11.2012.]

No. LAD-NRO/GN/2012-13/23/5430 - In exercise of the powers conferred by sub-section (4) of section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board has established its Local Office at Bhubaneswar under the administrative control of the Eastern Regional Office at Kolkata. The Local office so established shall look after the regulatory aspects of Investor protection, investor education and such other functions as may be delegated from time to time, and its role and responsibility shall extend to the areas falling under the territorial jurisdiction of the State of Odisha.

U. K. Sinha
Chairman



Institute News

MEMBERS ADMITTED

Sl. No.	Name	Membership No.	Region
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FELLOWS*

1	Sh. R Sundaresan	FCS - 7003	SIRC
2	Sh. Vivek Jain	FCS - 7004	WIRC
3	Ms Monica Choraria	FCS - 7005	NIRC
4	Sh Hasti Mal Chhajer	FCS - 7006	NIRC
5	Sh. Durgesh Suhas Dingankar	FCS - 7007	WIRC
6	Sh. Jeraz Eruch Mahernosh	FCS - 7008	WIRC
7	Sh. Manan Chandraprakash Bhavsar	FCS - 7009	WIRC
8	Sh. Shashi Kumar Taneja	FCS - 7010	NIRC
9	Sh. Harish Chandra Bhanja	FCS - 7011	EIRC
10	Sh. S Venkatesh	FCS - 7012	SIRC
11	Sh. Rajagopal Ganesh	FCS - 7013	NIRC
12	Ms. Susmita Dash	FCS - 7014	EIRC
13	Sh. Manu Grover	FCS - 7015	NIRC
14	Sh. G Venkateswar Reddy	FCS - 7016	SIRC
15	Mrs. A Padma Venkatesh	FCS - 7017	SIRC
16	Sh. Amrish Kumar Chourasia	FCS - 7018	WIRC
17	Sh. Debasish Roychowdhury	FCS - 7019	EIRC
18	Sh. Sanjay Mangalmurti Phadke	FCS - 7020	WIRC
19	Sh. Vispi Sarosh Patel	FCS - 7021	WIRC
20	Sh. Devendra Suresh Malegaonkar	FCS - 7022	SIRC
21	Ms. Ujala Hirawat	FCS - 7023	NIRC
22	Sh. Upendra S Deshpande	FCS - 7024	WIRC
23	Sh. Nitin Mehta	FCS - 7025	NIRC
24	Ms. Manisha Arora	FCS - 7026	NIRC
25	Sh. Manish Kumar Agarwal	FCS - 7027	EIRC

ASSOCIATES*

1	Ms. Tishi Narula	ACS - 31023	NIRC
2	Mr. Sukesh	ACS - 31024	NIRC
3	Mr. Anuj Gupta	ACS - 31025	WIRC
4	Mr. Himanshu Duggal	ACS - 31026	NIRC
5	Ms. Swati Kapoor	ACS - 31027	NIRC
6	Mr. Shafiq Ahmed	ACS - 31028	NIRC
7	Ms. Akansha Singhal	ACS - 31029	NIRC
8	Ms. Anshul Jain	ACS - 31030	NIRC

9	Mr. Prashant Jain	ACS - 31031	WIRC
10	Ms. Sanjoli Jindal	ACS - 31032	NIRC
11	Ms. Rajashree Vinayak Dubey	ACS - 31033	WIRC
12	Ms. Megha Arora	ACS - 31034	NIRC
13	Mr. Vijay Raghuvirsinh Jadeja	ACS - 31035	WIRC
14	Mr. Sanil Ganesh Dhayalkar	ACS - 31036	SIRC
15	Ms. Diptiben Ashwinbhai Sukhadiya	ACS - 31037	WIRC
16	Mr. Suresh Sampat Chattise	ACS - 31038	WIRC
17	Mr. Kurthalanathan M	ACS - 31039	SIRC
18	Ms. Neetu Gupta	ACS - 31040	NIRC
19	Mr. Abhishek Goyal	ACS - 31041	NIRC
20	Mr. O Manish Kumar Tulsian	ACS - 31042	SIRC
21	Mr. Mehul Yogesh Shah	ACS - 31043	SIRC
22	Ms. Shalini Kapoor	ACS - 31044	NIRC
23	Ms. Shruti Agarwal	ACS - 31045	NIRC
24	Ms. Nandita Goel	ACS - 31046	NIRC
25	Mr. Sanket Srivastava	ACS - 31047	NIRC
26	Mr. Bagga Singh	ACS - 31048	NIRC
27	Mr. Ankur Sharma	ACS - 31049	NIRC
28	Ms. Patel Radhika Damjibhai	ACS - 31050	WIRC
29	Ms. Asha Damani	ACS - 31051	NIRC
30	Ms. Parul Marwah	ACS - 31052	NIRC
31	Mr. Sandeep Arora	ACS - 31053	NIRC
32	Ms. Vandana Kaushik	ACS - 31054	NIRC
33	Mr. R Sivaraman	ACS - 31055	SIRC
34	Mr. Ananda Krishna Deshkulkarni	ACS - 31056	SIRC
35	Mr. Ramakrishnan Muthiyalu	ACS - 31057	SIRC
36	Mr. Tilak Raj Abrol	ACS - 31058	NIRC
37	Mr. Mohammed Muneerali T	ACS - 31059	SIRC
38	Mr. Jyot Devendra Bhatt	ACS - 31060	WIRC
39	Mr. Nitin Kumar Singhai	ACS - 31061	WIRC
40	Ms. Kottayam Lakshmi	ACS - 31062	SIRC
41	Mr. Guruprasad V	ACS - 31063	SIRC
42	Mr. R Madhusudhan	ACS - 31064	SIRC
43	Mr. Johnson Durai Singh G.	ACS - 31065	SIRC
44	Ms. Deepali Dilipkumar Agarwal	ACS - 31066	NIRC
45	Mr. Abhishek Aditya	ACS - 31067	SIRC
46	Mr. Aviral Goyal	ACS - 31068	NIRC
47	Mr. Aithe Mahendhar	ACS - 31069	SIRC
48	Mr. Ravi	ACS - 31070	NIRC
49	Ms. Archana Raghu Panchal	ACS - 31071	WIRC
50	Mr. Lokesh Singhal	ACS - 31072	WIRC
51	Ms. D Lakshmi	ACS - 31073	SIRC
52	Mr. V Sasikumar	ACS - 31074	SIRC
53	Ms. Nikita Gupta	ACS - 31075	NIRC
54	Mr. Anil Gupta	ACS - 31076	EIRC
55	Mr. P Laxmidhar Prusty	ACS - 31077	EIRC
56	Ms. Shabina Hasan	ACS - 31078	EIRC
57	Ms. Deep Jyoti	ACS - 31079	SIRC
58	Ms. Megha Vij	ACS - 31080	SIRC
59	Ms. Heena Arora	ACS - 31081	NIRC
60	Ms. Shubhi Kundra	ACS - 31082	NIRC
61	Ms. Anuradha Baranwal	ACS - 31083	NIRC
62	Ms. Nisha Sharma	ACS - 31084	NIRC
63	Ms. Gunjan Mittal	ACS - 31085	NIRC
64	Ms. Tarang Gupta	ACS - 31086	NIRC

* Admitted on 22nd October, 31st October, 2012 and 12th November, 2012



65	Ms. Sapna Gupta	ACS - 31087	NIRC	119	Mr. Kayomarz Dinyar Daver	ACS - 31141	WIRC
66	Ms. Kritika Sethi	ACS - 31088	NIRC	120	Mr. Kuldeep Jaymahesh Bhai Shukla	ACS - 31142	WIRC
67	Mr. Ankit Kumar Singh	ACS - 31089	NIRC	121	Ms. Heena Vijay Yeole	ACS - 31143	WIRC
68	Ms. Seema Kumari Saini	ACS - 31090	NIRC	122	Ms. Rekha Mahavir Prasad Sharma	ACS - 31144	WIRC
69	Mr. Vishnu Dadige	ACS - 31091	SIRC	123	Mr. Tejas Jayeshbhai Thakkar	ACS - 31145	WIRC
70	Mr. Jaideep	ACS - 31092	NIRC	124	Mr. Harshil Munnalal Vijay	ACS - 31146	WIRC
71	Ms. Shaffali	ACS - 31093	NIRC	125	Mr. Paras Jivarajbhai Viramgama	ACS - 31147	WIRC
72	Ms. Radhika Bhalla	ACS - 31094	NIRC	126	Mr. Maulik Jagdishbhai Sheth	ACS - 31148	WIRC
73	Ms. Mehak Bangia	ACS - 31095	NIRC	127	Mr. Muthukrishnan M	ACS - 31149	SIRC
74	Ms. Mansi Mishra	ACS - 31096	NIRC	128	Mr. Danesh K	ACS - 31150	SIRC
75	Ms. Priyanka Chopra	ACS - 31097	NIRC	129	Mr. Vinay Joshi	ACS - 31151	SIRC
76	Ms. Madhuri Taluja	ACS - 31098	NIRC	130	Mr. Harshavardhan Boratti	ACS - 31152	SIRC
77	Ms. Chetna Anand	ACS - 31099	NIRC	131	Mr. Vikash Kumar Jha	ACS - 31153	NIRC
78	Ms. Somya Rastogi	ACS - 31100	NIRC	132	Mr. K S Parameswara Kumar	ACS - 31154	SIRC
79	Ms. Noopur Mittal	ACS - 31101	NIRC	133	Ms. Monika Ojha	ACS - 31155	NIRC
80	Mr. Lalit Yadav	ACS - 31102	NIRC	134	Ms. Shraddha Shivaji Vichare	ACS - 31156	WIRC
81	Mr. Ankit Jain	ACS - 31103	NIRC	135	Ms. Dipali Rameshbhai Kothiyar	ACS - 31157	WIRC
82	Mr. Rajesh Singh Chahar	ACS - 31104	NIRC	136	Mr. Omprakash Ganesh Soni	ACS - 31158	WIRC
83	Ms. Niyati Kedia	ACS - 31105	NIRC	137	Mr. Praveen Gajanan Hegde	ACS - 31159	SIRC
84	Ms. Shruti Chopra	ACS - 31106	NIRC	138	Mr. Srinivasa Rao Kilaru	ACS - 31160	SIRC
85	Ms. Mauli Agarwal	ACS - 31107	NIRC	139	Ms. Juhi Sarna	ACS - 31161	NIRC
86	Ms. Shruti Sharma	ACS - 31108	NIRC	140	Mr. Haril Kapoor	ACS - 31162	NIRC
87	Mr. Gurav Gupta	ACS - 31109	NIRC	141	Ms. Khushboo Khandelwal	ACS - 31163	NIRC
88	Mr. Raghav R	ACS - 31110	SIRC	142	Mr. Manish Kumawat	ACS - 31164	NIRC
89	Mr. Sudhir Kumar Saklani	ACS - 31111	NIRC	143	Ms. Deepti Jain	ACS - 31165	NIRC
90	Mr. Arumugam M	ACS - 31112	SIRC	144	Mr. Rakesh Kumar Jha	ACS - 31166	NIRC
91	Mr. Raja Reddy Jingilipalem	ACS - 31113	SIRC	145	Mr. Sandeep Sharma	ACS - 31167	EIRC
92	Mr. Vignesh S S	ACS - 31114	SIRC	146	Mr. Gopal Kumar Khetan	ACS - 31168	EIRC
93	Mr. Pankaj Kumar Singh	ACS - 31115	EIRC	147	Ms. Angira Singhvi	ACS - 31169	NIRC
94	Mr. Raju Viswanathan Iyer	ACS - 31116	WIRC	148	Ms. Divyabharathi U	ACS - 31170	SIRC
95	Ms. Swati Pachisia	ACS - 31117	EIRC	149	Ms. Somya Mittal	ACS - 31171	NIRC
96	Ms. Neha Sapra	ACS - 31118	NIRC	150	Mr. Abhinav Shrivastava	ACS - 31172	SIRC
97	Mr. Yogesh Kumar Gautam	ACS - 31119	NIRC	151	Mr. Satish Kumar	ACS - 31173	NIRC
98	Mr. K Raju	ACS - 31120	SIRC	152	Mr. Jatin Biswakarma	ACS - 31174	EIRC
99	Ms. Sonia Gupta	ACS - 31121	NIRC	153	Ms. Kawaljeet Kaur	ACS - 31175	NIRC
100	Ms. Shikha Singh	ACS - 31122	EIRC	154	Ms. Tanvi Panday	ACS - 31176	EIRC
101	Mr. Ram Kumar Sah	ACS - 31123	EIRC	155	Ms. Shubhi Dhyani	ACS - 31177	NIRC
102	Ms. Shipra Singla	ACS - 31124	NIRC	156	Ms. Shobhita Singh	ACS - 31178	NIRC
103	Mr. Lalit Ashokkumar Jain	ACS - 31125	WIRC	157	Ms. Deepa Bisht	ACS - 31179	NIRC
104	Mr. Bhagwanchand Premchand Rajput	ACS - 31126	WIRC	158	Ms. Shilpi Varshney	ACS - 31180	NIRC
105	Ms. S Janaki	ACS - 31127	SIRC	159	Mr. Sachin Kumar Jain	ACS - 31181	NIRC
106	Mr. Shashank V	ACS - 31128	SIRC	160	Ms. Shelly Bajaj	ACS - 31182	NIRC
107	Ms. Shital Mohan Manandhar	ACS - 31129	WIRC	161	Ms. Shikha Sharma	ACS - 31183	NIRC
108	Mr. Krishnamoorthy S	ACS - 31130	SIRC	162	Ms. Divya Bagree	ACS - 31184	NIRC
109	Mr. Ankit Lalit Dewan	ACS - 31131	WIRC	163	Mr. Deepak Rastogi	ACS - 31185	NIRC
110	Ms. Varsha Dinesh Saraf	ACS - 31132	WIRC	164	Ms. Divya Matah	ACS - 31186	NIRC
111	Ms. Vina Niraj Oza	ACS - 31133	WIRC	165	Ms. Neha	ACS - 31187	NIRC
112	Ms. Smriti Shrishrimal	ACS - 31134	WIRC	166	Mr. Somesh Kumar	ACS - 31188	NIRC
113	Ms. Teeshula Pandurang Bomble	ACS - 31135	WIRC	167	Ms. Ritu Nama	ACS - 31189	NIRC
114	Ms. Minakshi Kamalkishor Muchhal	ACS - 31136	WIRC	168	Ms. Gursimran Kaur Sethi	ACS - 31190	NIRC
115	Ms. Poonam Pancham Jaiswal	ACS - 31137	WIRC	169	Mr. Manoj Kumar Mishra	ACS - 31191	NIRC
116	Ms. Purna Badriprasad Poddar	ACS - 31138	WIRC	170	Ms. Megha Sheth	ACS - 31192	SIRC
117	Mr. Krunal Akshaykumar Shah	ACS - 31139	WIRC	171	Mr. Dominic Savio David	ACS - 31193	SIRC
118	Ms. Laxmi Devkinandan Didwania	ACS - 31140	WIRC	172	Mr. Manikanda Velautham	ACS - 31194	SIRC



News from the Institute

173	Ms. Usha Miryala	ACS - 31195	SIRC	7.	Mrs. Harshada Shashank Pathak	ACS - 19534	WIRC
174	Ms. Kinjal P Mehta	ACS - 31196	SIRC	8.	Ms. Seema Ramesh Gaur	ACS - 29412	WIRC
175	Mr. M B Suneel	ACS - 31197	SIRC	9.	Sh. Brij Bhushan Nagpal	FCS - 2359	NIRC
176	Mr. Maulik Anilkumar Bhavsar	ACS - 31198	WIRC	10.	Sh. A V Ghodgaonkar	FCS - 3261	NIRC
177	Mr. Tejas Madhusudan Patankar	ACS - 31199	WIRC	11.	Ms. Sumita Narula	ACS - 9846	NIRC
178	Ms. Raina Kapoor	ACS - 31200	NIRC	12.	Sh. Kamlesh Nyati	ACS - 15769	NIRC
179	Ms. Sonali Krishnaji Gaikwad	ACS - 31201	WIRC	13.	Sh. Dhiraj Sethi	ACS - 14384	SIRC
180	Ms. Sonica Sharma	ACS - 31202	NIRC	14.	Sh. Sandeep Sarin	ACS - 11403	NIRC
181	Ms. Shalini Mittal	ACS - 31203	NIRC	15.	Sh. Samir S. Kamat	ACS - 11166	WIRC
182	Ms. Sugeeta Kurada	ACS - 31204	SIRC	16.	Sh. P R Shubhakar	ACS - 8420	SIRC
183	Mr. Sujith S	ACS - 31205	SIRC	17.	Sh. Sridhar Sivaram	ACS - 10188	WIRC
184	Mr. Vaibhav Rameshchandra Bagadiya	ACS - 31206	WIRC	18.	Sh. Sumit Gulati	ACS - 27665	NIRC
185	Ms. Swati Shah	ACS - 31207	NIRC	19.	Mrs. Samri Dhirodhe	ACS - 25440	NIRC
186	Mr. Manjeet Singh	ACS - 31208	NIRC	20.	Sh. Sankar Lal Agrawal	ACS - 14880	EIRC
187	Ms. Sonam Agrawal	ACS - 31209	WIRC	21.	Ms. Suman Bala	ACS - 17443	NIRC
188	Ms. Payal Narayan Purohit	ACS - 31210	WIRC	22.	Sh. Amar Nath Tiwari	ACS - 22501	NIRC
189	Mr. Mehul Rajeshkumar Thakkar	ACS - 31211	WIRC	23.	Mrs. Payal Kapoor	ACS - 15385	NIRC
190	Mr. Sandip Harishchandra Batwal	ACS - 31212	WIRC	24.	Sh. Dharmendra Kumar Vyas	ACS - 28182	WIRC
191	Ms. Shah Devanshi Ketan	ACS - 31213	WIRC	25.	Ms. Lalita Swarupa Durthi	ACS - 21074	SIRC
192	Ms. Himani Bipin Shah	ACS - 31214	WIRC	26.	Sh. Aalhad Anil Mahabal	ACS - 21741	WIRC
193	Ms. Sneha Prabhakar Kadam	ACS - 31215	WIRC	27.	Ms. Kajal Gurnani	ACS - 25410	SIRC
194	Mr. Prafull Sambhaji Chemte	ACS - 31216	WIRC	28.	Ms. Ananyaganguly	ACS - 12934	SIRC
195	Ms. Heeral Satish Chauhan	ACS - 31217	WIRC	29.	Ms. Neha Pradeep Shah	ACS - 27919	WIRC
196	Mr. Abhishek Kumar Pandey	ACS - 31218	NIRC	30.	Ms. Rashmi Khetan	ACS - 23383	EIRC
197	Ms. Arpita	ACS - 31219	SIRC	31.	Sh. Lalit Kumar Mohanty	FCS - 6655	EIRC
198	Ms. Rachana P V	ACS - 31220	SIRC	32.	Mrs. Ritika Agrawal	ACS - 23100	WIRC
199	Ms. Kumud Gupta	ACS - 31221	NIRC	33.	Sh. Narshing Dass Gupta	ACS - 5307	NIRC
200	Ms. Alpa Nayan Shah	ACS - 31222	EIRC	34.	Sh. Nitesh Kumar Shrivastava	ACS - 19884	WIRC
201	Mr. Vishnu Dutt Sharma	ACS - 31223	WIRC	35.	Ms. Pratibha Sharma	ACS - 21548	NIRC
202	Ms. Pooja Solanki	ACS - 31224	NIRC	36.	Sh. Ankit Goel	ACS - 14341	NIRC
203	Mr. Rahul	ACS - 31225	NIRC	37.	Ms. Rachna Nagpal	FCS - 4895	NIRC
204	Mr. Niraj Kumar Verma	ACS - 31226	NIRC	38.	Sh. S S Jangid	ACS - 8638	WIRC
205	Mr. Sumanta Kumar Behera	ACS - 31227	EIRC	39.	Sh. Girraj Kumar Gupta	ACS - 18081	NIRC
206	Mr. Bhargawe Prasad Bhagwant	ACS - 31228	WIRC	40.	Ms. Kalyani Srinivasan	FCS - 4783	SIRC
207	Ms. Shrutika Malhotra	ACS - 31229	NIRC	41.	Ms. Diwaker Bansal	ACS - 16832	NIRC
208	Mr. Rajneesh Kumar	ACS - 31230	WIRC	42.	Ms. Kanika Sukhija	ACS - 23832	NIRC
209	Mr. Ankit Pravinchandra Patniya	ACS - 31231	WIRC	43.	Sh. Ankitbhatnagar	ACS - 17997	NIRC
210	Mr. Jitendra Pravinbhai Leeya	ACS - 31232	WIRC	44.	Sh. Chandra Mohan Bahety	ACS - 11821	EIRC
211	Ms. Shruti Shrenikbhai Parikh	ACS - 31233	WIRC	45.	Sh. Arvind Harlalka	ACS - 26326	EIRC
212	Ms. Deepika Gaur	ACS - 31234	NIRC	46.	Sh. Anil B Jhavar	FCS - 4243	NIRC
213	Ms. Rekha Paliwal	ACS - 31235	NIRC	47.	Sh. Sridhar Subramanian	ACS - 6396	SIRC
214	Ms. Priti Arora	ACS - 31236	EIRC	48.	Sh. P R Sonawane	FCS - 2375	WIRC
				49.	Sh. R Satyanarayana Murthi	ACS - 5610	SIRC
				50.	Sh. Ajit Narayan Joshi	ACS - 22359	WIRC
				51.	Sh. V Mahesh Kumar Savanth	ACS - 22349	SIRC
				52.	Sh. Subramanian Sundarraman	ACS - 7463	SIRC
				53.	Sh. V P K Mani	FCS - 1981	SIRC
				54.	Sh. Dinesh Shivnarayan Birla	ACS - 17968	WIRC
				55.	Sh. Rajesh Pareek	ACS - 11819	EIRC
				56.	Sh. Surendra Kumar Sipani	ACS - 11537	EIRC
				57.	Ms. Sweta Sethia	ACS - 29581	EIRC
				58.	Sh. Rajesh Kumar Arora	ACS - 13537	EIRC
				59.	Ms. Dolly Dhavle	ACS - 21826	EIRC
				60.	Sh. Vineet Kumar Jain	ACS - 18308	NIRC
				61.	Sh. Naseem Ahmed	ACS - 20933	NIRC
				62.	Sh. R K Saini	ACS - 6144	NIRC

Restored*

1.	Sh. Natarajan Haritheertham	ACS- 15624	WIRC
2.	Sh. P N Krishnan	ACS - 4125	WIRC
3.	Sh. Prakash Suraj	ACS - 10581	NIRC
4.	Sh. Jayaraman Srinivasan Iyer	ACS - 18845	WIRC
5.	Sh. B. L. Ajmera	ACS - 3270	EIRC
6.	Sh. Om Prakash Dhingra	FCS - 2439	NIRC

* Restored from 21st October 2012 to 20th November, 2012



63.	Sh. Rajendra Jain	ACS - 9576	SIRC
64.	Sh. Dharmendra Surana	ACS - 19719	NIRC
65.	Ms. Usha Parashar	ACS - 24232	NIRC
66.	Ms. Sharda Sethuraman	ACS - 10203	SIRC
67.	Sh. Kishor Kumar S	ACS - 26686	SIRC
68.	Sh. S B Muralidharan	ACS - 7991	SIRC
69.	Sh. Hemant Kumar Thanvi	ACS - 12639	WIRC
70.	Ms. Devika Sathyanarayana	ACS - 16617	SIRC
71.	Sh. S V Ramaswamy	FCS - 1183	SIRC
72.	Sh. M S Reddy	FCS - 1264	SIRC
73.	Sh. Satish Menon	FCS - 4401	SIRC
74.	Sh. Pradeep Goel	ACS - 12505	SIRC
75.	Ms. Geetu Sachdeva	ACS - 14714	NIRC
76.	Ms. Shilpi Agarwal	ACS - 18860	NIRC
77.	Ms. Renuka Garg	FCS - 4865	NIRC

22	Ms. Sonal Sureshchandra Chechani	ACS - 29283	11371	WIRC
23	Mr. Deepak Kumar	ACS - 23673	11372	NIRC
24	Ms. Anjali Rastogi	ACS - 29665	11373	NIRC
25	Ms. Shikha Sukhija	ACS - 29491	11374	NIRC
26	Ms. Vinodhini Kanagaraj	ACS - 24822	11375	SIRC
27	Mr. Mrinal Shankar	ACS - 28898	11376	EIRC
28	Ms. Manisha Arora	ACS - 13687	11377	NIRC
29	Ms. Neeti Verma	ACS - 27121	11378	NIRC
30	Ms. Richa Goyal	ACS - 24274	11379	NIRC
31	Ms. Ritu Jayprakash Rath	ACS - 23700	11380	WIRC
32	Ms. Ushma Mulchand Dudani	ACS - 21452	11381	WIRC
33	Ms. Priyanka Singh	ACS - 30929	11382	NIRC
34	Sh. Syed Shahabuddin	ACS - 4121	11383	SIRC
35	Mrs. Sneha Pratik Kanitkar	ACS - 29061	11384	WIRC
36	Ms. Neha Gupta	ACS - 25906	11385	NIRC
37	Ms. Sujana S	ACS - 21138	11386	SIRC
38	Mr. Puneet Manawat	ACS - 30719	11387	NIRC
39	Sh. Subramanian K.N.	ACS - 15218	11388	SIRC
40	Mr. Gaurav Jeswani	ACS - 30979	11389	WIRC
41	Ms. Deepika Karnani	ACS - 31000	11390	NIRC
42	Ms. Megha Gandhi	ACS - 30798	11391	NIRC
43	Ms. Garima Chawla	ACS - 25239	11392	NIRC
44	Ms. Tanvi Gupta	ACS - 30914	11393	NIRC
45	Mr. Anirudh Chandak	ACS - 30804	11394	EIRC
46	Mr. Amit Dev	ACS - 27640	11395	NIRC
47	Sh. S R Balasubramanian	FCS - 4032	11396	SIRC
48	Ms. Lalita Agarwal	ACS - 30148	11397	EIRC
49	Ms. Foram Bharat Goradia	ACS - 28536	11398	WIRC
50	Sh. Ramesh Chandra Gupta	FCS - 542	11399	NIRC
51	Mr. Amit Kumar Jain	ACS - 30075	11400	EIRC
52	Mr. Deepak Malik	ACS - 30996	11401	NIRC
53	Ms. Karishma Ramesh Pandey	ACS - 30936	11402	WIRC
54	Sh. Vijay Kumar Somani	ACS - 9618	11403	NIRC
55	Ms. Anju Matuknath Mishra	ACS - 30559	11404	WIRC
56	Mr. Anand Prakash Soni	ACS - 30940	11405	NIRC
57	Mr. Ashutosh Govind Khemani	ACS - 27828	11406	WIRC
58	Mr. Jaspinder Singh	ACS - 30991	11407	NIRC
59	Sh. Akshit Gupta	ACS - 22963	11408	NIRC
60	Mr. Suvir Govind Saraf	ACS - 29981	11409	WIRC
61	Mr. Anand Sureshbhai Lavingia	ACS - 26458	11410	WIRC
62	Ms. Yashashree Paranjape	ACS - 26830	11411	WIRC
63	Sh. Rushabh Narendra Doshi	ACS - 24406	11412	WIRC
64	Ms. Anchit Pandey	ACS - 29642	11413	NIRC

CERTIFICATE OF PRACTICE

Sl. No.	Name	ACS/FCS No.	C P No.	Region
ISSUED*				
1	Ms. Rupali Modi	ACS - 25467	11350	WIRC
2	Ms Pooja Gandhi	ACS - 20092	11351	NIRC
3	Mr. Praveen Kumar Sharma	ACS - 30538	11352	NIRC
4	Mr. Sourabh Singhal	ACS - 30952	11353	NIRC
5	Mr. Ashish A Parmar	ACS - 29470	11354	SIRC
6	Ms. Deepika	ACS - 29794	11355	SIRC
7	Ms. Saloni Rastogi	ACS - 22841	11356	SIRC
8	Ms. Rekha Goenka	ACS - 17805	11357	EIRC
9	Ms. Radhika Lalsen Vaiude	ACS - 30639	11358	WIRC
10	Mr. Prasanna Hegde	ACS - 30738	11359	SIRC
11	Ms. Pavitra Agarwal	ACS - 29922	11360	NIRC
12	Ms. Kajal Kaushik	ACS - 26006	11361	NIRC
13	Ms. Prathibha Priya M R	ACS - 20871	11362	SIRC
14	Ms. Anitha Christina Migael	ACS - 30946	11363	SIRC
15	Ms. Jivika Shravan Uthada	ACS - 30902	11364	WIRC
16	Sh Manoj Kumar Rajan	ACS - 19865	11365	SIRC
17	Sh. Someswara Rao Artham	ACS - 18979	11366	SIRC
18	Sh. V R Sankara Narayanan	ACS - 19450	11367	SIRC
19	Mrs. Nitisha Saurabh Sohoni	ACS - 26078	11368	WIRC
20	Sh. Sunil Kumar Singh	ACS - 24825	11369	EIRC
21	Mr. Rishi Raj Garg	ACS - 30384	11370	NIRC

* During the month of October, 2012



News from the Institute

65	Sh. Sankar Mukherjee	ACS - 4508	11414	EIRC
66	Ms. Rajulla Frito	ACS - 26303	11415	WIRC
67	Sh. Chetan V Gandhi	ACS - 12341	11416	WIRC
68	Ms. Ritika Samdani	ACS - 23890	11417	WIRC
69	Mr. Amit Girishkumar Gor	ACS - 29985	11418	WIRC
70	Ms. Anita Gopalakrishnan	ACS - 28448	11419	WIRC
71	Sh. D Krishna Rao	FCS - 5207	11420	SIRC
72	Ms. Priyanka Sharma	ACS - 25211	11421	WIRC
73	Sh. Pramod Kumar Sabot	ACS - 22537	11422	WIRC
74	Mr. Ananda Krishna Deshkulkarni	ACS - 31056	11423	SIRC
75	Ms. Manisha Singhal	ACS - 30527	11424	NIRC
76	Sh. Anil Kumar	ACS - 22900	11425	NIRC
77	Mr. Sunny Arun Warghade	ACS - 30072	11426	WIRC
78	Ms. Priyanka Tarun Agrawal	ACS - 28532	11427	WIRC
79	Mr. Ravi	ACS - 31070	11428	NIRC
80	Mrs. Amisha Dharam Popat	ACS - 30899	11429	WIRC
81	Ms. Supriya Satchidanand Mahajan	ACS - 28036	11430	WIRC
82	Ms. Nisha Choudhury	ACS - 28874	11431	NIRC
83	Sh. R R Gnanasekaran	FCS - 6500	11432	SIRC
84	Mrs. Aditi Nitin Singh	ACS - 28836	11433	WIRC
85	Sh. Deepak Jain	ACS - 24308	11434	NIRC
86	Mr. Satish Sharma	ACS - 28706	11435	WIRC
87	Ms. Pooja Bansal	ACS - 23944	11436	WIRC
88	Mr. Pranav Asnikar	ACS - 21665	11437	WIRC
89	Ms. Kavita Vikram Surana	ACS - 30630	11438	EIRC
90	Mrs. Neelaaveni Babu Prakash	ACS - 25329	11439	SIRC
91	Sh. A X N Prabhu	FCS - 3902	11440	SIRC

CANCELLED*

1.	Ms. Priyanka Deswal	ACS - 25858	10046	NIRC
2.	Mrs. Pooja Bhartia	ACS - 13873	3393	EIRC
3.	Ms. Radha Vijayaraghavan	FCS - 2880	9945	SIRC
4.	Mrs. Jyoti Nagar	ACS - 23430	10367	WIRC
5.	Ms. Mansi Bhati	ACS - 30699	11211	NIRC
6.	Sh. Agnelo Anthony Fernandes	ACS - 30029	11073	WIRC
7.	Sh. Gaurav Girish Singh Rathore	ACS - 29336	10808	NIRC
8.	Sh. Ankit Bhatia	ACS - 28529	10492	NIRC
9.	Ms. Vaishali Parab	ACS - 24522	9073	WIRC
10.	Sh. N V Thanigaimani	FCS - 2959	11148	SIRC
11.	Ms. Neha Anchalia	ACS - 28504	10925	NIRC
12.	Ms. Nehal Ninad Bhatt	ACS - 28293	10139	WIRC
13.	Mrs. Ekta Karwa	ACS - 24718	9068	EIRC
14.	Ms. Seema Srivastava	ACS - 22260	9853	NIRC
15.	Sh. Bhavesh Ghaghda	ACS - 23471	10147	WIRC

16.	Ms. Nimmooka Nayyalal	FCS - 2640	2775	SIRC
17.	Ms. Swati Surhatia	ACS - 25676	9871	NIRC
18.	Ms. Parul Gupta	ACS - 29939	11212	NIRC
19.	Sh. Vineet Kothari	ACS - 29723	10731	EIRC
20.	Sh. Haridasa karunakar Prabhu	ACS - 27561	9895	SIRC
21.	Ms. Sonia Sharma	ACS - 24716	8994	NIRC
22.	Sh. Hemant Rajnikant Kothari	ACS - 20872	11149	WIRC
23.	Ms. Anamika Raju	ACS - 26080	9942	NIRC
24.	Ms. Deepa Yogesh Kulkarni	ACS - 20498	7599	NIRC
25.	Ms. Nishtha	ACS - 25113	9269	NIRC
26.	Ms. Monika Verma	ACS - 28538	11224	NIRC
27.	Mrs. Ritu Koolwal	ACS - 24549	10366	NIRC
28.	Sh. Manish Rakesh	ACS - 29424	10611	NIRC
29.	Sh. Harish kumar Popli	ACS - 24843	10703	NIRC
30.	Sh. Chapalamadugu Sreenivasa Rao	ACS - 14723	11055	SIRC

LICENTIATE ICSI

Sl. No.	Name	Licentiate No.	Region
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ADMITTED*

1.	Sh. Amit Dahiya	6420	NORTH
2.	Sh. Kamlesh Lalaram Prajapat	6421	SOUTH
3.	Sh. Gaurav Kanhayalal Lakhwani	6422	WEST
4.	Ms. Rohini Mukherjee	6423	EAST
5.	Sh. Ankit Chawla	6424	NORTH
6.	Sh. G Kannan	6425	SOUTH
7.	Sh. Ramesh Kumar Singh	6426	EAST
8.	Sh. Pratyush Sharma	6427	EAST
9.	Sh. Sachin Ashok Kumar Jain	6428	WEST
10.	Sh. Ashish Kumar Tiwari	6429	NORTH
11.	Sh. Sunil Choudhary	6430	NORTH
12.	Sh. Himanshu Patel	6431	WEST
13.	Mrs. Rekha Mundhra	6432	NORTH
14.	Sh. Mohit Kumar Jha	6433	WEST
15.	Ms. Velidhi Vara Mounika	6434	SOUTH
16.	Ms. Tejasvi Gupta	6435	NORTH
17.	Sh. Harish Ashok Mathariya	6436	WEST
18.	Sh. Vignesh R	6437	SOUTH
19.	Sh. Sunil Kumar P T	6438	SOUTH
20.	Sh. R Lokesh	6439	SOUTH
21.	Sh. Abhinav Sharma	6440	NORTH
22.	Ms. Seema Naresh Kochar	6441	WEST
23.	Sh. Aakaash Gollapudi	6442	SOUTH

* During the month of October, 2012

* During the period 1.10.2012 to 31.10.2012

December
2012



CHARTERED SECRETARY

1598



ANNUAL MEMBERSHIP AND CERTIFICATE OF PRACTICE FEES FOR 2012-13

The names of members who could not remit their annual membership fee for the year 2012-13 by the last extended date i.e. **31st August, 2012** stand removed from the Register of Members w.e.f. **1st September, 2012**. They may pay the fee and get their names restored by making an application in Form 'BB' with the entrance fee (Associate members Rs. 1500/- & Fellow members Rs. 1000/- respectively) alongwith restoration fee of Rs. 250/-. Form-BB is available on the web-site of the Institute.

The Certificate of Practice of the members who could not remit their annual Certificate of Practice fee for the year 2012-13 by the specified date i.e. on or before **30th September, 2012** stand cancelled w.e.f. **1st October, 2012**. They may restore their Certificate of Practice by making an application in Form 'D' with the restoration fee of Rs. 250/-. Form-D is available on the web-site of the Institute and also published *else where in this issue*.

The annual membership and certificate of practice fee payable 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 web-site (www.icsi.in).
- 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 the Membership Section on telephone Nos.011-45341047 or Mobile No.9868128682 / through e-mail ids: annualfee@icsi.edu, member@icsi.edu

Company Secretaries Benevolent Fund

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



Sl. No.	LM Name	Mem	City No.
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EIRC

1 9870 Mr. Pankaj Kumar Singh ACS - 31115 DHANBAD

NIRC

2 9865 Sh. Rajesh Kumar Jain FCS - 6533 GHAZIABAD

SIRC

3 9864	Mr. Ananda Krishna		
	Deshkulkarni	ACS - 31056	BANGALORE
4 9866	Sh. M S Subramanian	ACS - 9241	CHENNAI
5 9867	Mr. Ranjit Nair	ACS - 30970	BANGALORE
6 9868	Ms. S Janaki	ACS - 31127	HYDERABAD
7 9869	Mr. Vinay Joshi	ACS - 31151	HYDERABAD

* During the period 19th October 2012 to 21st November 2012.

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

APPLICATION FOR RESTORATION OF MEMBERSHIP

To,

The Secretary to the Council of
The Institute of Company Secretaries of India
'ICSI' House, 22, Institutional Area
Lodi Road, New Delhi-110003

Sir,

I hereby apply for restoration of my name in the Register as an Associate/Fellow Member of the Institute of Company Secretaries Of India in accordance with the provisions contained in the Company Secretaries Act, 1980 and Regulations made thereunder and declare that I am eligible for the membership of the Institute and am not subject to any disabilities stated in the act or the Regulations of the Institute. The required particulars are furnished below:

1. Name in full :
(In Block Letters) Surname M. Name F. Name

2. Address

(i) **Professional**

Designation

Name of Company

Address

.....

.....

Pin Code:

Telephone No. Fax

E -mail

(ii) **Residential**

.....

.....

Pin Code:

Contd.

Telephone No. Fax

3. Date of admission as Associate / :
Fellow Member of the Institute

4. Membership Number

5. I hereby undertake that if re-admitted as an Associate/Fellow Member of the Institute, I will be bounded by the Company Secretaries Act, 1980 and the Regulations made thereunder, asamended from time to time

6. I also undertake that such instances will not recur and I will make the payment of annual fee in future within the stipulated time (i.e. on or before 30th June of each year)

7. I send herewith a sum of Rs..... being the arrears of Annual Membership fee of Rs. for the years to and restoration fee of Rs.250/- alongwith entrance fee (Rs. 1500/- for Associates & Rs. 1000/- for fellows)

8. I solemnly declare that what I have stated above is true and correct.

Place:

Yours faithfully

Date:

Signature



News from the Institute



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

Region	Training Period	Stipend (Rs.)
Eastern		
Gillanders Arbuthnot & Co. Ltd. C-4, Gillander House Netaji Subhash Road Kolkatta - 700001 <i>gillander@gillandersarbuthnot.Com</i>	15 Months Training	3500/-
Shree Automotive Pvt. Ltd 'Shantiniketan' Suite No. 8 10th Floor 8, Camac Street Kolkatta - 700017	15 Months Training	3500/-
Bilati (Orissa) Limited 12 , Lee Road Kolkata - 700020 <i>trfigroup@gmail.com</i>	15 Months Training	3500/-
Shree Tuls Online.Com Ltd. 4, N.S. Road, Training 1st Floor, Kolkata - 700001 <i>investors@shreetulsionline.com</i>	15 Months	3500/-
Karuna Impex Enterprises Ltd. 142 A, Balram Dey Strret Ground Floor Kolkatta - 700006	15 Months & 3 Months PrcticalTraining	2500/-
Saumya Mining Ltd. 'Hari Kripa' Cb-25 Sector -1, Salt Lake City Kolkatta - 700064 <i>smpl@saumyaminig.com</i>	15 Months Training	3500/-
Quest Financial Services Ltd. "Centre Point" 21 Hemant Basu Sarani Room No.230, 2nd Floor Kolkata - 700001	15 Months Training	3000/-
M/S Cement Manufacturing Company Ltd. Lumshnong, P.O. Khaliehriat, Distt.Jaintia Hills Meghalaya	15 Months Training	3500/-

Basukinath Food Processors Ltd. P S Pace 1/1A Block 14th Floor Mahendra Rao Lane (Topsia Road) Kolkata - 700046 <i>tanmpycs@live.com</i>	15 Months Training	3500/-
Minolta Finance Ltd. 37 A & B, Stephen House 4 B B D Bag (East) Kolkatta - 700001 <i>minoltafinance@gmail.Com</i>	3 Months Practical Training	3500/-
Spectrum Stock Services Pvt. Ltd. 1 British India Street, 4th Floor , Room No. 405, Kolkata - 700069	15 Months Training	3500/-
Kailash Pati Cement Pvt. Ltd. Sharma Hardware Stores Barpeta Road, Assam - 781315 <i>atishagarwalcs@gmail.Com</i>	15 Months Training	3500/-
Window Glass Ltd. E 2/3, Gillander House, 8 Netaji Subhas Road Kolkata - 700001 <i>wgl@vsnl.com</i>	15 Months & 3 Months Practical Training	3500/-
Eastern Financiers Ltd. 'Lords' Suite No. 102 & 104 7/1 Lord Sinha Road, Kolkata - 700071 <i>share_lg@easternfin.com</i>	15 Months Training	5000/-
Braithwaite & Co. Limited (A Government Of India Undertaking) Ministry of Railways 5, Hide Road, Kolkata - 700043	15 Months & 3 Months Practical Training	3500/-
GPT Healthcare Private Ltd. JC -25, Sector- III, Salt Lake, Kolkata - 700098	15 Months & 3 Months Practical Training	3500/-
Northern Anamika Sugar Mills Pvt. Ltd. Flat No.32-33, 3rd Floor, "Satkar" Building, 79-80 New Delhi - 110019	15 Months Training	3500/-
KMG Milk Food Ltd. 9th Km. Stone Pipli To Ambala Road G.T. Road, Village-Masana Distt. Kurukshatra Haryana - 132118 <i>info@kmggroup.Com</i>	15 Months & 3 Months Practical Training	3500/-
Pankaj Piyush Trade & Investment Ltd. D-16, 1st Floor, Prashant Vihar, New Delhi - 110085 <i>info@pptinvestment.com</i>	15 Months & Training	3500/-



TPS Infrastructure Ltd. 84 M Block Commercial Complex Greater Kailash II New Delhi - 110048	15 Months Training	3500/-	Shiv Edibles Ltd. 237/A, Talwandi Kota - 324005 <i>linfo@shiv.co.in</i>	15 Months & 3 Months Practical Training	3500/-
Shree Nath Jee Bakers Pvt. Ltd. Plot No. B- 1 To B- 4, Upside Agro Park, Karkhiyaon, Jaunpur Road, Varanasi - 221206 <i>skdvns@gmail.com</i>	15 Months Training	3500/-	Super Management & Portfolio Ltd. A- 57, liird Floor, Sector 4, Noida - 201301 <i>digitalparkrkm@yahoo.co.in</i>	15 Months & Training	3500/-
Cogent E-Services Pvt. Ltd. C-100, Sector - 63, Noida - 201301	15 Months Training	4000/-	Chemtura Chemicals India Pvt. Ltd. 'The Corenthum' Plot No. 41, Tower 'A' Office No. 152, 5th Floor, Sector- 62, Gautam Budh Nagar Noida - 201301	15 Months & Training	3500/-
Kalpriksha Builders & Developers (P) Ltd. 76, 1st Floor, Bank Enclave Laxmi Nagar, Delhi - 110092	15 Months Training	3500/-	Adani Logistics Ltd. Adani House, Plot No. -83 Institutional Area, Sector-32 Gurgaon - 122001 <i>info@adani.com</i>	15 Months & 3 Months Practical Training	3500/-
Oxygen Services (India) Pvt. Ltd. G-4, Community Centre, C- Block, Naraina Vihar, New Delhi - 110028 <i>vishnu.singhal@myoxygen.com</i>	15 Months Training	3500/-	The Institute Of Company Secretaries of India ICSI House, 22, Institutional Area, Lodi Road, New Delhi - 110003	15 Months Training (Previously Registered for 12 Months Training)	5000/-
Dua Associates (Law Firm) Tolstoy House 15, Tolstoy Marg, New Delhi- 110001 <i>duadel@duaassociates.com</i>	06 Months Training	7000/-	Southern Muthoot Fincorp Ltd. Punnen Road Trivandrum Kerala - 695034 <i>muthoot@muthoot.Com</i>	15 Months	3500/-
Vimal Plast (India) Pvt. Ltd. B- 104/3, Naraina Indl Area Phase -1 New Delhi-110028 <i>vimal@del3.vsnl.net</i>	15 Months Training	3500/-	Nagarjuna Agrichem Ltd. Plot No. 12-A 'C' Block, Lakshmi Towers, Nagarjuna Hills, Punjagutta, Hyderabad - 500082	15 Months Training	3500/-
Dilwara Leasing And Investment Ltd. 4034, Chawri Bazar Delhi - 110006	15 Months & 3 Months Practical Training	5000/-	Ampa Housing Development Pvt. Ltd. 48, Raman Street, T.Nagarmadras, Tamilnadu - 600017 <i>naliniganesh@ampa.co.in</i>	15 Months Training	3500/-
Cybizcall (International) Pvt. Ltd. 309-310, Udyog Vihar Phase IV Gurgaon - 122001	15 Months & 3 Months Practical Training	5000/-	Wep Peripherals Ltd. 40/1a, "Basappa Complex" II Floor, Lavelle Road, Bangalore - 560001	03 Months Practical Training	
CMA CGM Logistics Park Dadri Pvt. Ltd. Tilpata Road, Gautam Buddha Nagar Greater Noida (U.P.) - 201311 <i>info@ccllog-park.com</i>	15 Months & 3 Months Practical Training	3500/-	Can Fin Homes Ltd. No. 29/1 1st Floor M N Krishna Rao Road Basavanagudi Bangalore - 560004 <i>sathyaprakash@canfinhomes.com</i>	15 Months Training	7000/-
Bhilwara Spinners Ltd. Gandhi Nagar Bhilwara - 311001	15 Months & 3 Months Practical Training	3500/-			
Digitail Management Services Pvt. Ltd. Plot No. 10 Udyog Vihar Phase IV, Gurgaon - 122016	15 Months Training	3500/-			



News from the Institute

Allsec Technologies Ltd. 46- B, Velachery Main Road, Velachery Chennai - 600042 <i>mohan.kumar@allsectech.com</i>	15 Months & 3 Months Practical Training	3500/-	Neesa Leisure Limited Plot No.X- 22, 23 & 24, G.I.D.C. Electronic Estate, Sector - 25, Gandhinagar, Gujarat - 382044 <i>info@neesaleisure.Com</i>	15 Months Training	3500/-
Karnataka Handloom Development Corporation Ltd. Venkatadri Heights, Kiresur Complex Unkal Cross, Vidya Nagar, Hubli - 580031 <i>khdc@vsnl.net</i>	15 Months Training	3500/-	Thirdware Solution Ltd. 168, Sdf Vi , A Wing, Seepz, Andheri (E) Mumbai - 400096	15 Months & 3 Months Practical Training	3500/-
Granules India Ltd. IInd Floor, 3rd Block, My Home Hub, Madhapur Hyderabad - 500081 <i>mail@granulesindia.com</i>	3 Months Practical Training	3500/-	Pradip Enterprises Ltd. A- 603, Namarayan Complex, Ahmedabad - 380009 (Gujarat) India <i>pradipenterprisesltd@gmail.com</i>	15 Months Training	3500/-
Neerajaksha Iron & Steel Pvt. Ltd. F. No. 108, 1st Floor Sovereign Shelter, Near Ganga Jamuna Hotel Lakdikapul, Hyderabad - 500004 <i>cstaranath@gmail.com</i>	15 Months Training	3500/-	Indian Tourism Infrastructure Ltd. 54, Hughes Road, Mani Bhuvan, Ground Floor, Opp. Dharam Palace Mumbai - 400007 <i>info@itil.co.in</i>	3 Months Practical Training	3500/-
Western Sumeet Industries Ltd. 504, Trividh Chamber, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002 <i>sumeetindus@yahoo.com</i>	15 Months & 3 Months Practical Training	3500/-	Indian Rare Earths Ltd. Plot No. 1207, Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400028	15 Months Training	3500/-
Goa Shipyard Ltd. Ship Builders, Ship Repairers & Engineers, A Govt. of India Undertaking, Ministry of Defence, Vasco Da-Gama, Goa - 403802 <i>contactus@goashipyard.com</i>	15 Months Training	3500/-	Morganite Crucible (India) Ltd. B -11 M.I.D.C., Waluj, Aurangabad - 431136	15 Months Training	3500/-
The Surat District Co-Operative Bank Ltd. "Shri Pramodbhai Desai Sahakar Sadan" J.P. Road Nr. R.T.O., Surat - 395001 <i>Ccontac@sudicobank.com</i>	15 Months Training	3500/-	Great Galleon Ltd. 160, Kanchan Bagh, 15months Training Indore - 452001 <i>ggbindore@sify.com</i>	3500/-	
Honeycomb Logistics Pvt. Ltd. Mulji House, 41-45, Devji Ratansey Marg, Danabunder, Mumbai - 400009 <i>mumbai@honeycombcls.Com</i>	15 Months & 3 Months Practical Training	3500/-	Sarthi Capital Advisors Pvt. Ltd. 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E) Mumbai - 400098	15 Months Training	3500/-
Ameya Logistics Pvt. Ltd. Village Dhasakhoshi, Taluka Uran, Post Khopoli, Raigad, Maharashtra - 410212 <i>nhs.asonthalia@ameyalogistics.com</i>	15 Months & 3 Months Practical Training	3500/-	CIL Nova Petrochemicals Ltd. Moraiya Village, Sarkhej- Bavla Highway, Ahmedabad- 382210	15 Months & 3 Months Practical Training	5000/-
			Man Trucks India Pvt. Ltd. 501-502, Kapil Zenith, Survey No. 55, Hissa No. 1 Behind Maratha Mandir, Bavdhan Khurd, Pune - 411021	15 Months Training	3500/-
			Shri Bajrang Power And Ispat Ltd. Vill. Borjhara, Urla Industrial Area, Raipur - 493221 <i>sbpil@goelmt.com</i>	15 Months Training	3500/-



Master Fluid Solutions (India) Pvt. Ltd.
S.No. 7, Unit No. 507, 5th Floor
Rainbow Plaza, Vill. Rahatni,
Pimple Saudagar,
Pune - 411017

15 Months &
3 Months
Practical Training

3500/-

Heatshrink Technologies Ltd.
(Formerly Repl Engineering Limited)
Plot No. 112, 13th Road
Midc Andheri (East)
Mumbai - 400093
htl@vsnl.net

15 Months
Training

2500/-

Gujarat State Electricity Corporation Ltd.
Vidyut Bhavan,
Race Course
Vadodara - 390007
cs.gsecl@gebmail.com

03 Months
Practical Training

3500/-

CS SAURABH PODDAR
Company Secretary in Practice
612, 6th Floor, Block - A,
Raghava Ratna Tower, Abids
Hyderabad - 500001

PCSA-3155

CS NEELAKSHEE R. MARATHE
Company Secretary in Practice
B/605, Arunasmruti Chs,
Shrikrishna Nagar, Post Office Lane,
Borivali (East), Mumbai - 400066

PCSA-3156

CS SANDEEP KUMAR SIVALINGAM
Company Secretary in Practice
18/21 (16), 2nd Floor,
Stadium Bypass Junction,
Palakkad - 678001

PCSA-3157

CS SHEETAL SINGH
Company Secretary in Practice
6/19, 2nd Floor, Single Storey,
Ramesh Nagar
New Delhi - 110015

PCSA-3158

CS SHIV KUMAR GUPTA
Company Secretary in Practice
412, 4th Floor, R.D. Chamber,
16/11, Arya Samaj Road, Karol Bagh,
New Delhi - 110005

PCSA-3159

CS SONU NEHRA
Company Secretary in Practice
Office No.1, Ii Nd Floor, 34,
Navyug Market,
Ghaziabad (U.P.) - 201001

PCSA -3160

CS SUDESH KUMAR BALECHA
Company Secretary in Practice
302, A.J. Chamber, Street No. 4,
Najwala, Karol Bagh,
New Delhi - 110005

PCSA-3161

CS SARIKA JAYANT KAUSHIKA
Company Secretary in Practice
2nd Floor, Shangrila Complex
Cbs Road, Aurangabad
Maharashtra - 431 005

PCSA-3162

CS GEETA GOSWAMI
Company Secretary in Practice
B-50, Old Govind Pura
New Delhi - 110 051

PCSA-3163

CS QAISER MAGDUM
Company Secretary in Practice
255, 8th Block, 3rd Main
Koramngala
Bangalore - 560 034

PCSA-3164

CS MALLESHAM KOREPU
Company Secretary In Practice
1-8-45/C, Chikkadapalli
Hyderabad- 500 020

PCSA-3165

CS JAYSHREE TODI
Company Secretary In Practice
1-8-45/C, Chikkadapalli
Hyderabad- 500 020

PCSA-3166

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



CS GAURAV KUMAR SHARMA
Company Secretary in Practice
Flat No.310, Gaur Ganga Apartment
Sec - 4, Vaishali, Ghaziabad - 201010

PCSA-3149

CS MEGHA ARORA
Company Secretary in Practice
1/9033 West Rohtas Nagar
Street No. 1 Shahdara
Delhi - 110032

PCSA-3150

CS REKHA GROVER
Company Secretary in Practice
C - 8/62a, Lawrence Road
Delhi - 110035

PCSA-3151

CS KIRAN DHAL
Company Secretary in Practice
C - 172 (G.F.) South City - II
Gurgaon

PCSA -3152

CS RICHA AGARWAL
Company Secretary In Practice
Space Town Housing Complex
Bc - 9, Flat - 3b, Raghunathpur,
Kolkatta - 52

PCSA-3153

CS KANCHAN JALAN
Company Secretary in Practice
24, N.S. Road, 4th Floor,
R.No. - 33, Kolkatta - 700001

PCSA-3154



News from the Institute

CS KHUSHBU SINGHAL

Company Secretary in Practice
Vijay Handloom Fabrics
Vijay Mandi
Murad Nagar
Ghaziabad -201 206

PCSA-3167

CS PAYAL KATARIA

Company Secretary in Practice
722, G-3, Sector-5, Vaishali
Ghaziabad -201 010

PCSA-3168

CS NEHA MITTAL

Company Secretary in Practice
19, Royal Residency
Dimrapur Road, Jagatpur
Raigarh -496 001
Pcsa -3170

PCSA-3169

CS AKSHAY AUTI

Company Secretary in Practice
V-002, Wonder Futura
In Front of Wonder Funky Mall
Near Chandani Chowk
Mumbai-Bangalore Highway
Pune -411 038

PCSA-3170

CS DIBYA SINGHA MISHRA

Company Secretary in Practice
Plot No -N4/323, Irc Village
Bhubaneswar -751 015

PCSA-3171

CS ADITYA SANJAY KELKAR

Company Secretary in Practice
"Vihanga Apartments"
Sonumai Joshi Path,
Erandwane, Pune - 411004

PCSA-3172

CS PARAMESHWAR G. BHAT

Company Secretary in Practice
4996/4,2nd Floor,10th Cross,
Near Bashyam Circle,
Sadashivanagar,
Bangalore - 560080

PCSA-3173

CS SACHIN DEDHIA

Company Secretary in Practice
104, Sushila Aptt.,
Devidas Lane,Borivali(West)
Mumbai - 400103

PCSA-3174

CS SHILPI BHARDWAJ

Company Secretary in Practice
H.No.3051, Gali Dil Sukh Rai
Khazanchi, Charkhe Wallan,
Delhi - 110006

PCSA-3175

CS ROMA KEJRIWAL

Company Secretary in Practice
G -24/2 Karunamoyee
Salt Lake Sector 11
Kolkatta - 700091

PCSA-3176

CS DEBASISH MUKHOPADHYAY

Company Secretary in Practice
40/1/1c, Netaji Subhash Chand Bose Road,
Kolkata - 700040

PCSA-3177

CS JHARNA C.KAPADIA

Company Secretary in Practice
B/904, Prakruti Tower,
Nr. Parimal Underbridge,
Ahmedabad - 380001

PCSA-3178

CS TANVEER KOUR TUTEJA

Company Secretary in Practice
Jain Tuteja&Associates
Opp.Bank Of Baroda,
Itwari Bazar,Nayaganj,
Raigarh - 496001

PCSA-3179

CS AMIT KUMAR PERIWAL

Company Secretary in Practice
House No. 43, Krb Road,
2nd Floor, Bharalumukh,
Guwahati, Assam - 781009

PCSA-3180

CS RITU GULATI

Company Secretary in Practice
708, Sector - 10,
Panchkula

PCSA-3181

CS MAYANK DUBEY

Company Secretary in Practice
B-303, Plot No. 31, Sector - 6,
Dwarka, New Delhi - 110075

PCSA-3182

CS D.M. VYAS

Company Secretary in Practice
406- Hem Arcade, Dr.Yagnik,
Opp. Vivekananda Statue,
Rajkot

PCSA-3183

CS SESHADRI LAKSHMINARAYAN

Company Secretary in Practice
174, Jawahar Nagar, Goregaon (West)
Mumbai -400 062

PCSA-3184

CS LOKESH GOHIL

Company Secretary in Practice
At- Mali Para, Bara Bazaar
Po.Khetrajur, Sambalpur - 768003

PCSA-3185

CS NEERUPAMA KABRA

Company Secretary in Practice
Raj Kumar Maheshwari
Opp, Prem Tea Warehouse,
Munsha Singh Compound,2.5 Mile, Check Post,
Sevoke Road,
Siliguri - 734008

PCSA-3186

CS SOURABH SINGHAL

Company Secretary in Practice
H-31, Radhey Puri,
Krishna Nagar,
Delhi - 110051

PCSA-3187

CS PRAKASH M

Company Secretary in Practice
No. 201, Shah Sultan,
17, Cunningham Road,
Bangalore - 560052

PCSA-3188

CS VARALDEEPAK BHAI RANPURA

Company Secretary in Practice
306, Sarthik Complex,
Nr. Fun Republic, Iscon Cross Road,
Ahmedabad - 380015

PCSA-3189



CS CHITRANSHI AGARWAL
Company Secretary in Practice
2908, Sitaram Bazar, Delhi - 110006

PCSA-3190

CS VARAL RANPURA
Company Secretary in Practice
Drh - 3, Npl Colony, New Rajinder Nagar,
New Delhi - 110060

PCSA-3191

CS NAZIA REHMAN
Company Secretary in Practice
Shop No. 17,
Basement Sai Complex,
Budh Bazar Station Road,
Moradabad - 244001

PCSA-3192

CS BHUPENDRA P. S. CHOUHAN
Company Secretary in Practice
E - 95, Nehru Nagar, Bhopal - 462016

PCSA-3193

CS ANANTH R.K.
Company Secretary in Practice
No. 690, 2nd Floor,
6th Cross, 5th Main, Hal 3rd Stage,
Bangalore - 560075

PCSA-3194

CS MUKESHKUMAR AGARWAL
Company Secretary in Practice
40 A, Aswini Nagar, Kolkata - 700040

PCSA-3195

CS VISHAL SONI
Company Secretary in Practice
2nd Floor, Star Complex, Above Khurara Plywood,
Basti Adda, Jalandhar - 144001

PCSA-3196

CS VISHWANADHA SATYANARAYANA
Company Secretary in Practice
6-3-609/6, 1st Floor
Beside ICSI Chapter,
Anand Nagar Colony,
Khairatabad,
Hyderabad (A.P.) - 500004 India

PCSA-3197

CS NAVEEN KR. CHHABRA
Company Secretary in Practice
B - 74, Shalimar Housing Complex,
Chhabra Colony,
Shalimar Garden,
Sahibabad (U.P.)
Ghaziabad - 201005

PCSA-3198

CS ADIT N. BHUVA
Company Secretary in Practice
No. 37/57, 53rd Street,
9th Avenue,
Ashok Nagar, Chennai - 600083 (India)

PCSA-3199

CS DINESH BHANDARI
Company Secretary in Practice
1102, First Floor,
Sector - 19 B,
Chandigarh - 160019

PCSA-3200

CS PAYAL SABARWAL
Company Secretary in Practice
L.I.G. Building No - 2,
Unit No.-5,
Krishnanagar Chandmari,
Guwahati - 781003 (Assam)

PCSA -3201



LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012 FOR NON-PAYMENT OF ANNUAL MEMBERSHIP FEE FOR THE YEAR 2012-13 (AS ON 30/11/2012)

Sl. No.	ACS/FCS No.	C P No.	Name	Region				
1	ACS - 9		SH. A P GOPALAKRISHNAN	WIRC	48	ACS - 2230	SH. A K BISWAS	NIRC
2	ACS - 20		SH. K R VENKATARAMAN	WIRC	49	ACS - 2251	SH. PANKAJ R. MAJITHIA	WIRC
3	ACS - 30		SH. P C CHACKO	SIRC	50	ACS - 2304	SH. GIRISH KUMAR	
4	ACS - 44		SH. T N KALYANARAMAN	SIRC			SANMUKHRAI RANA	WIRC
5	ACS - 139		SH. BABU RAM MAHESWARI	NIRC	51	ACS - 2336	SH. DIPAK RAVINDRANATH DESAI	WIRC
6	ACS - 168		SH. V E MASCARENHAS	WIRC	52	ACS - 2409	SH. RAI CHAND LUNIA	WIRC
7	ACS - 270		SH. T N SUBRAMANIAN	SIRC	53	ACS - 2435	SH. ANANT VISHNU KARVE	WIRC
8	ACS - 330		SH. SIKARKUMAR		54	ACS - 2447	SH. SAMIR BARAN DEWANJEE	WIRC
			BANDYOPADHYAY	EIRC	55	ACS - 2479	SH. K RAMABADRAN	SIRC
9	ACS - 372		SH. T RADHAKRISHNAN	SIRC	56	ACS - 2557	SH. RAJ KUMAR GULATI	NIRC
10	ACS - 389		SH. ANIL KUMAR MUKHERJEE	NIRC	57	ACS - 2659	SH. V V MARGABANDHU	SIRC
11	ACS - 408		SH. A BASU	EIRC	58	ACS - 2670	SH. MANOHAR PUNDALIK	
12	ACS - 409		SH. B N VISHWANATH	SIRC			SHENOY	WIRC
13	ACS - 434		SH. SURESH CHANDRA OSWAL	NIRC	59	ACS - 2722	SH. PRAFULLA KUMAR SINHA	EIRC
14	ACS - 458		SH. B S L NARAYAN	NIRC	60	ACS - 2725	SH. ANUP SINGH DHILLON	NIRC
15	ACS - 464		SH. GOPAL KRISHAN	NIRC	61	ACS - 2798	SH. R S RAGHAVAN	SIRC
16	ACS - 478		SH. B L GUPTA	NIRC	62	ACS - 2834	SH. BIJAN KRISHNA DEB	NIRC
17	ACS - 520		SH. RAMESH KHANNA	WIRC	63	ACS - 2842	SH. RAM PRAKASH SHROFF	WIRC
18	ACS - 575		SH. P SUDHAKARAN	SIRC	64	ACS - 2845	SH. TURAB MOHSIN ARSIWALLA	WIRC
19	ACS - 600		SH. R SUBRAMANIAN	SIRC	65	ACS - 2935	SH. M SHANKAR	SIRC
20	ACS - 603		SH. L D VENKATARAMAN	SIRC	66	ACS - 3076	MS. SHEELA A SHAH	WIRC
21	ACS - 656		SH. S PARTHASARATHY	WIRC	67	ACS - 3094	SH. D V S R SUBRAHMANYAM	SIRC
22	ACS - 664		SH. ROOPENDRA NARAYAN ROY	EIRC	68	ACS - 3098	SH. RAJIV AGGARWAL	NIRC
23	ACS - 710		SH. P K NAN	EIRC	69	ACS - 3101	SH. ARUN SAINI	NIRC
24	ACS - 715		SH. SIMON MATHEWS	SIRC	70	ACS - 3111	SH. SUBER AHSAN RANGWALA	WIRC
25	ACS - 728		SH. S C GHOGE	WIRC	71	ACS - 3186	SH. KRISHNA LAL AGRAWAL	NIRC
26	ACS - 756		SH. V KOTHANDARAMAN	SIRC	72	ACS - 3219	SH. R P S GREWAL	NIRC
27	ACS - 762		SH. L V SHARMA	SIRC	73	ACS - 3232	SH. SHIV KUMAR LAKKAR	EIRC
28	ACS - 832		SH. MANOHAR LAL CHADHA	EIRC	74	ACS - 3326	SH. HARCHAND SINGH	NIRC
29	ACS - 1108		SH. MANORANJAN BHOWMICK	EIRC	75	ACS - 3379	SH. MUDUNURI SATYANARAYANA	SIRC
30	ACS - 1155		SH. ARUN N PARIKH	WIRC	76	ACS - 3383	SH. G DWARAKANATH	SIRC
31	ACS - 1202		SH. NIROD BARAN CHOWDHARY	EIRC	77	ACS - 3423	SH. SUDHIR BHANSALI	SIRC
32	ACS - 1299		SH. S K MUKHERJEE	EIRC	78	ACS - 3448	SH. J APPARAO	SIRC
33	ACS - 1355		SH. SAMPAT MAL DAGA	EIRC	79	ACS - 3512	SH. J M CONTRACTOR	WIRC
34	ACS - 1426		SH. MAHENDRA AGARWAL	WIRC	80	ACS - 3535	SH. K GANDHI	SIRC
35	ACS - 1507		SH. J N DESAI	WIRC	81	ACS - 3544	SH. S VISWANATHAN	SIRC
36	ACS - 1548		SH. A C MATHEW	SIRC	82	ACS - 3617	SH. S KANNAN	WIRC
37	ACS - 1599		SH. R N SARKAR	EIRC	83	ACS - 3635	SH. ALOKE KUMAR BANERJEE	WIRC
38	ACS - 1618		SH. B B DHAR	EIRC	84	ACS - 3641	SH. KEWAL KRISHAN GUPTA	NIRC
39	ACS - 1624		SH. H R PATEL	WIRC	85	ACS - 3647	SH. G S BAGLA	NIRC
40	ACS - 1644		SH. K N RAJAGOPALAN	SIRC	86	ACS - 3705	SH. PAWAN KUMAR CHOUDHARY	WIRC
41	ACS - 1764		SH. GURUSHANKAR GANESH	SIRC	87	ACS - 3708	SH. RAJU KANTILAL JARIWALA	WIRC
42	ACS - 1969		SH. RAM AVTAR GARG	NIRC	88	ACS - 3724	SH. M M GANGOPADHYAY	EIRC
43	ACS - 1971		SH. SIVARAM RAJA	SIRC	89	ACS - 3833	SH. V NARASIMHAMURTHY	NIRC
44	ACS - 1997		SH. N J DALAL	EIRC	90	ACS - 3848	SH. DEEPAK K GHAIAS	WIRC
45	ACS - 2028		SH. AJAYA JAIN	WIRC	91	ACS - 3928	SH. HARISH KHOSLA	SIRC
46	ACS - 2032		SH. SUSHIL KUMAR	EIRC	92	ACS - 3969	SH. B G ANIRUDH	SIRC
47	ACS - 2075		SH. N S NARASIMHAN	WIRC	93	ACS - 4060	SH. ABHIJIT MITRA	WIRC
					94	ACS - 4064	SH. BIJAY KUMAR AGRAWAL	EIRC
					95	ACS - 4116	SH. RAJIV SETHY	NIRC
					96	ACS - 4194	SH. S B B TRIKHA	NIRC
					97	ACS - 4229	SH. SESHADRI	
							GOPALAKRISHNAN	SIRC
					98	ACS - 4233	SH. RAJESH GUPTA	NIRC
					99	ACS - 4247	SH. MOHINDER KUMAR SHARMA	NIRC
					100	ACS - 4293	SH. PARTHA RAY CHAUDHURI	EIRC

LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012



101	ACS - 4294	SH. J R SARMA	WIRC	162	ACS - 6841	SH. X K MARKER	WIRC
102	ACS - 4399	SH. SHIV KUMAR GOEL	NIRC	163	ACS - 6902	SH. SARAN KUMAR	NIRC
103	ACS - 4422	SH. PANKAJ MAGANLAL VARASADA	WIRC	164	ACS - 6940	SH. HARISH CHANDER DHAMIJA	NIRC
104	ACS - 4500	SH. K SESHADRI	SIRC	165	ACS - 7016	SH. PRADIP MANOHAR GAITONDE	WIRC
105	ACS - 4545	SH. M M TAMBE	WIRC	166	ACS - 7041	SH. S G SHEMAVNEKAR	WIRC
106	ACS - 4607	SH. MAHESH KUMAR MUNDHRA	EIRC	167	ACS - 7043	SH. L K DANGI	WIRC
107	ACS - 4628	SH. PAWAN KUMAR	NIRC	168	ACS - 7055	SH. PRAMOD KUMAR SANGHAI	EIRC
108	ACS - 4669	SH. HARI KISHAN NAWAL	EIRC	169	ACS - 7077	SH. ASHOK K KUMAT	WIRC
109	ACS - 4746	SH. AMARJIT SINGH LALL	NIRC	170	ACS - 7115	SH. SANJAY CHOUDHARY	SIRC
110	ACS - 4750	SH. A RAMARAO	SIRC	171	ACS - 7142	SH. SANJAY KUMAR GARG	NIRC
111	ACS - 4834	SH. R K BISANI	SIRC	172	ACS - 7145	SH. S V RAJA VAIDYANATHAN	SIRC
112	ACS - 4846	SH. S P K GAUTAM	WIRC	173	ACS - 7261	SH. SANKER PARAMESWARAN	WIRC
113	ACS - 4850	SH. B HARIHARAN	NIRC	174	ACS - 7266	SH. SUNIL TODI	WIRC
114	ACS - 4864	SH. N K TANEJA	NIRC	175	ACS - 7298	SH. VIJAY INDUKUMAR JOSHI	WIRC
115	ACS - 4875	SH. V K GOENKA	EIRC	176	ACS - 7303	MS. P KARPAGAM	SIRC
116	ACS - 4917	SH. G SRINIVASAN	SIRC	177	ACS - 7490	SH. B VENKATESH	SIRC
117	ACS - 4951	SH. S VENKATESHWARAN	WIRC	178	ACS - 7583	SH. M MOHAN RAO	NIRC
118	ACS - 4967	SH. A R SHARMA	NIRC	179	ACS - 7853	SH. NARENDRA KUMAR SARAF	WIRC
119	ACS - 4972	SH. T S RAJAGOPALAN	SIRC	180	ACS - 7913	SH. ASHOK KUMAR GANGWAL	NIRC
120	ACS - 5010	SH. M SATYANARAYANA	SIRC	181	ACS - 7934	SH. P SIVA PRASAD RAO	SIRC
121	ACS - 5037	SH. RAVINDRA R DAHAD	WIRC	182	ACS - 8056	SH. MAHENDRA KUMAR PADIA	WIRC
122	ACS - 5129	SH. RAJEEV KUMAR GUPTA	NIRC	183	ACS - 8071	SH. FARROKH NARIMAN KATGARA	WIRC
123	ACS - 5156	SH. KONAKALLA KRISHNA KISHORE	NIRC	184	ACS - 8212	MS. VATSALATA M. MOULEE	SIRC
124	ACS - 5201	SH. V SUBRAMANIAN	WIRC	185	ACS - 8213	SH. SEWA RAM TOTLA	WIRC
125	ACS - 5217	SH. LOKESH KALRA	NIRC	186	ACS - 8340	SH. NAGARAJ SWAMIRAO BILGI	WIRC
126	ACS - 5282	SH. A V VENKATAKRISHNAN	NIRC	187	ACS - 8360	SH. N P GOPALAKRISHNAN	WIRC
127	ACS - 5325	SH. DEOKINANDAN DEORA	WIRC	188	ACS - 8404	SH. DINESH KUMAR SHARDA	EIRC
128	ACS - 5330	SH. VIJAY PRAKASH GUPTA	NIRC	189	ACS - 8509	SH. P M VASUDEV	SIRC
129	ACS - 5365	SH. PERIASAMY BOOPALAN	SIRC	190	ACS - 8522	SH. UMESH CHANDER SHARMA	NIRC
130	ACS - 5415	SH. N S BALIGA	WIRC	191	ACS - 8595	SH. BHASKAR CHANDRAN	WIRC
131	ACS - 5417	SH. N KANNAN	SIRC	192	ACS - 8665	SH. SUBHASH BHANDARI	NIRC
132	ACS - 5491	SH. PARVIN JUNEJA	NIRC	193	ACS - 8680	SH. J SRIDHAR	SIRC
133	ACS - 5510	SH. J SOMESWARA RAO	SIRC	194	ACS - 8686	SH. BHARAT RAGHUNATH YADAV	WIRC
134	ACS - 5542	SH. RAKESH GARG	WIRC	195	ACS - 8838	SH. A S RAVI	SIRC
135	ACS - 5544	DR. SARANGDHAR DUBEY	WIRC	196	ACS - 8876	SH. K V PRABHU	SIRC
136	ACS - 5563	SH. SRIDHAR RENGAN	WIRC	197	ACS - 8904	SH. S SIVAKUMAR	SIRC
137	ACS - 5564	SH. G RANGANATHAN	SIRC	198	ACS - 9002	SH. N RANGANATHAN	SIRC
138	ACS - 5584	SH. K K SINGLA	NIRC	199	ACS - 9019	SH. N R SRINIVASAN	SIRC
139	ACS - 5593	SH. PRADEEPKUMAR I JAIN	WIRC	200	ACS - 9074	SH. K P VASANTHAKUMAR	SIRC
140	ACS - 5624	SH. S R PARVATE	WIRC	201	ACS - 9075	SH. S K BAID	WIRC
141	ACS - 5671	MS. K VAIDEHI	WIRC	202	ACS - 9134	SH. N VISWANATHAN	WIRC
142	ACS - 5701	SH. ALOK CHANDER KAURA	NIRC	203	ACS - 9142	SH. S KRISHNAMURTHI	SIRC
143	ACS - 5727	SH. SUNIL KUMAR KULWAL	WIRC	204	ACS - 9149	SH. PINAKI SAHA	NIRC
144	ACS - 5739	SH. R K MEHTA	NIRC	205	ACS - 9165	SH. M A VENKATESHAN	SIRC
145	ACS - 5793	SH. DILIP KUMAR MAHANSARIA	SIRC	206	ACS - 9192	MS. T S JAGADHARINI	WIRC
146	ACS - 5834	MS. JALINI S MEHTA	WIRC	207	ACS - 9206	SH. P N HARIDAS	NIRC
147	ACS - 5836	SH. R RAJARAM	SIRC	208	ACS - 9212	SH. S M SAURASTRI	WIRC
148	ACS - 5891	SH. S RAJARAM	SIRC	209	ACS - 9268	SH. S S DEVADIGA	WIRC
149	ACS - 5958	SH. MILAN P SHAH	WIRC	210	ACS - 9285	SH. S SUBRAMANIAM	SIRC
150	ACS - 6002	SH. TARUN GOYAL	NIRC	211	ACS - 9429	SH. PRADIP KUMAR GHOSH	SIRC
151	ACS - 6024	SH. V K PARAMESHWARAN	SIRC	212	ACS - 9489	SH. MAHENDRA KUMAWAT	NIRC
152	ACS - 6160	SH. M S UMESH	NIRC	213	ACS - 9527	SH. AMARJEET SINGH BAGGA	WIRC
153	ACS - 6180	SH. SURENDRA LUNIA	NIRC	214	ACS - 9558	SH. K HARI	WIRC
154	ACS - 6198	SH. A T MAJUMDAR	WIRC	215	ACS - 9563	MS. SAMEENA KOHLI	NIRC
155	ACS - 6350	SH. DEVENDRA MANCHANDA	NIRC	216	ACS - 9588	SH. DINESH JOSEPH CASTELLINO	WIRC
156	ACS - 6385	SH. K K RATHI	WIRC	217	ACS - 9594	SH. SHYAM SUNDER CHAUDHARY	WIRC
157	ACS - 6484	SH. PRABHAKAR BHAT	WIRC	218	ACS - 9603	SH. PRAMOD KUMAR GUPTA	NIRC
158	ACS - 6508	SH. S MAHADEVAN	SIRC	219	ACS - 9662	SH. GAURANG J CHINYOY	WIRC
159	ACS - 6518	SH. ANIL KUMAR DUGGAL	NIRC				
160	ACS - 6784	SH. ARUP KUMAR ROY	EIRC				
161	ACS - 6805	SH. PARVEEN KUMAR MEHTA	NIRC				

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LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012

220	ACS - 9789	SH. PRADEEP KUMAR R JAIN	WIRC	278	ACS - 11753	SH. BHARAT KUMAR NADHANI	EIRC
221	ACS - 9821	MS. CHETNA CHANDRAKALA	WIRC	279	ACS - 11849	SH. T NATARAJAN	SIRC
222	ACS - 9870	SH. SANDEEP BATRA	WIRC	280	ACS - 11864	SH. PRAMOD KUMAR JAIN	NIRC
223	ACS - 9875	SH. N RAJKUMAR	SIRC	281	ACS - 11889	SH. P KRISHNARAJAN	SIRC
224	ACS - 9942	SH. DATTANAND DINESH		282	ACS - 11896	SH. ASHOK KUMAR DUSAD	NIRC
		HERANJAL	WIRC	283	ACS - 11912	SH. SANJEEV KUMAR SAPRA	NIRC
225	ACS - 9978	SH. MUKESH KUMAR JAIN	WIRC	284	ACS - 11923	SH. T MURUGAN	SIRC
226	ACS - 10044	SH. P K JAIN	WIRC	285	ACS - 11966	SH. MUKESH MANTRI	WIRC
227	ACS - 10055	SH. VINAY KUMAR N PANDYA	WIRC	286	ACS - 11970	SH. G S KURMI	WIRC
228	ACS - 10075	SH. RAKESH AWASTHI	WIRC	287	ACS - 12009	SH. SURYA PRAKASH SAMSUKHA	NIRC
229	ACS - 10096	SH. SHASHI CHANDRA JHA	EIRC	288	ACS - 12014	SH. RAMESH KUMAR	NIRC
230	ACS - 10136	SH. B SHIVADUTT	SIRC	289	ACS - 12016	MS. A PONNI	SIRC
231	ACS - 10155	SH. M V N MURTHY	SIRC	290	ACS - 12029	SH. M SURENDRA KORDE	WIRC
232	ACS - 10196	SH. NAGARIMADUGN CHANDRA		291	ACS - 12030	SH. VIJAY KUMAR AGARWAL	NIRC
		REDDY	SIRC	292	ACS - 12039	SH. DASU TRIVIKRAM	SIRC
233	ACS - 10210	MS. ANSHU JAIN	NIRC	293	ACS - 12061	SH. M GUNASEKARAN	SIRC
234	ACS - 10285	SH. K N SURYAPRAKASH	SIRC	294	ACS - 12073	SH. VIJAY KUMAR	NIRC
235	ACS - 10287	SH. NAVNEET KUMAR BHALANI	WIRC	295	ACS - 12081	SH. S SOMASUNDARAM	SIRC
236	ACS - 10332	SH. ARVIND KUMAR SINGHAL	NIRC	296	ACS - 12158	MS. V SHEELA	SIRC
237	ACS - 10369	SH. NIKET SURESH GHATE	NIRC	297	ACS - 12168	MS. PRIYA MURTHY ANANTHAN	WIRC
238	ACS - 10396	SH. ASHOK KUMAR JAIN	NIRC	298	ACS - 12199	SH. RAJESH AGGARWAL	NIRC
239	ACS - 10502	SH. ASHOK KUMAR UPADHYAY	EIRC	299	ACS - 12251	SH. ARUN KUMAR KEDIA	EIRC
240	ACS - 10543	MS. RESHMA HEMANSHU DESAI	WIRC	300	ACS - 12361	MS. SEEMA GUPTA	NIRC
241	ACS - 10545	SH. NARINDER KUMAR KAPOOR	NIRC	301	ACS - 12367	SH. SURESH SINGH	NIRC
242	ACS - 10551	SH. K GOVINDARAJAN	SIRC	302	ACS - 12369	SH. VIJAY AGARWAL	WIRC
243	ACS - 10591	MS. V KALA	SIRC	303	ACS - 12374	MS. NAMRATA BHATIA	WIRC
244	ACS - 10634	SH. L V N MURALIDHAR	SIRC	304	ACS - 12381	SH. ANIL JINDAL	NIRC
245	ACS - 10766	SH. LESLEY JOSEPH	SIRC	305	ACS - 12387	SH. RAKESH AGI WAL	NIRC
246	ACS - 10786	SH. SUBHASH CHANDRA PAL	EIRC	306	ACS - 12404	SH. PRASHANT BHATNAGAR	NIRC
247	ACS - 10812	SH. NIRANJAN SWAIN	EIRC	307	ACS - 12432	SH. PRASHANT GUPTA	NIRC
248	ACS - 10813	MS. MADHU S AJBANI	WIRC	308	ACS - 12443	SH. UMESH KHEMKA	EIRC
249	ACS - 10836	SH. RAJIV NANDWANI	SIRC	309	ACS - 12444	SH. MANMADKAR JAYANT	
250	ACS - 10840	SH. SHAILESH KUMAR GUPTA	NIRC			BHALCHANDRA	WIRC
251	ACS - 10872	SH. BINAL M TRIVEDI	WIRC	310	ACS - 12483	SH. A GOPIKUMAR	SIRC
252	ACS - 10893	SH. TULSI S DADLANI	WIRC	311	ACS - 12542	SH. YOGESH KUMAR SHARMA	NIRC
253	ACS - 10953	SH. K SEKHAR	SIRC	312	ACS - 12558	SH. ATUL KUMAR AGARWAL	NIRC
254	ACS - 10975	MS. SANGEETA SHARMA	NIRC	313	ACS - 12588	SH. V HARISH KUMAR	SIRC
255	ACS - 10981	SH. R RAMANATHAN	SIRC	314	ACS - 12621	SH. DHARMENDRA KUMAR	
256	ACS - 10983	SH. ANIL BINDURAO SHEDBAL	SIRC			V PARMAR	WIRC
257	ACS - 10997	MS. KINI M PURNIMA	SIRC	315	ACS - 12682	MS. P. PRASANNA SAI RAMA	SIRC
258	ACS - 11010	SH. PARESH MOHANLAL SHAH	WIRC	316	ACS - 12720	SH. MD TASHFEEN	EIRC
259	ACS - 11133	SH. RAJIVE BANSAL	NIRC	317	ACS - 12745	MS. K. V. T. SARASWATHI IYER	WIRC
260	ACS - 11230	SH. RANJAN MISHRA	NIRC	318	ACS - 12778	SH. RAJ KUMAR SHARMA	NIRC
261	ACS - 11288	SH. AMBRISH BAKAYA	NIRC	319	ACS - 12779	SH. OM PRAKASH AGRAWAL	NIRC
262	ACS - 11289	SH. RAJENDRA BHARADIA	WIRC	320	ACS - 12809	MS. SHAILA BHATNAGAR	NIRC
263	ACS - 11306	SH. J GIRISHANKAR	SIRC	321	ACS - 12832	SH. JAG MOHAN BANSAL	NIRC
264	ACS - 11347	SH. SANJEEV KUMAR GUPTA	NIRC	322	ACS - 12842	SH. P. RAJU IYER	SIRC
265	ACS - 11395	SH. RAKESH KUMAR PRUSTI	NIRC	323	ACS - 12866	MS. D APARNA	SIRC
266	ACS - 11398	SH. MAHESH KASHINATH		324	ACS - 12888	SH. GURDEEP SINGH BAKSHI	NIRC
		GAVASKAR	WIRC	325	ACS - 12892	SH. S. SALAI KUMARAN	SIRC
267	ACS - 11456	MS. JASBIR KAUR TAAK	WIRC	326	ACS - 12908	SH. GULSHAN KUMAR BHATIA	NIRC
268	ACS - 11491	SH. NAWIN KUMAR LAHOTY	EIRC	327	ACS - 12915	MS. RAKHEE GARG	NIRC
269	ACS - 11502	SH. K.P. RAJENDRAN ACHUTAN	SIRC	328	ACS - 12916	SH. RAKESH PRASAD	
270	ACS - 11551	SH. SAMEER SHAH	WIRC			KHANDELWAL	NIRC
271	ACS - 11554	SH. SANJAY GUPTA	WIRC	329	ACS - 12928	SH. SUSHIL KUMAR MODI	WIRC
272	ACS - 11602	SH. ANIL KUMAR MOHTA	EIRC	330	ACS - 12945	MS. KIRTANA DESHPANDE	WIRC
273	ACS - 11632	SH. K KANNAN	SIRC	331	ACS - 12957	SH. NARAYAN BARASIA	WIRC
274	ACS - 11660	SH. RAKESH SINGHI	EIRC	332	ACS - 12976	MS. SUPARNA CHAKRABORTY	EIRC
275	ACS - 11684	SH. RAJ KUMAR DUBEY	NIRC	333	ACS - 13003	SH. SANDEEP KUMAR AGRAWAL	EIRC
276	ACS - 11722	SH. VISHESH KUMAR CHUGH	NIRC	334	ACS - 13009	MS. LEENA M SATYANARAYANAN	SIRC
277	ACS - 11727	SH. PRABHAT GUPTA	NIRC	335	ACS - 13011	SH. SHEKHAR BHANDARI	WIRC
				336	ACS - 13024	MS. MARINA GOMES	WIRC
				337	ACS - 13049	SH. KAMAL SACHDEVA	NIRC

LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012



338	ACS - 13074	SH. RAJ KUMAR YADAV	NIRC	399	ACS - 14667	SH. KAMLESH KUMAR SOGANI	EIRC
339	ACS - 13087	MS. BULUSU SUNDARA LAKSHMI	SIRC	400	ACS - 14710	MS. SARIKA SHUBHENDRA AGARWAL	WIRC
340	ACS - 13109	MS. RENUKA DAGA	WIRC			SH. SAHIL GUPTA	NIRC
341	ACS - 13114	SH. HITESH MEHRA	NIRC	401	ACS - 14726	MS. BHAVNA AGARWAL	NIRC
342	ACS - 13116	SH. VIVEK SHARMA	NIRC	402	ACS - 14739	SH. BAL CHAND JAIN	WIRC
343	ACS - 13140	SH. SANJAY KUMAR SINGHAL	NIRC	403	ACS - 14742	SH. KAPIL MEHTA	WIRC
344	ACS - 13227	SH. RAMESH SITARAM GHODGE	WIRC	404	ACS - 14802	SH. GAGNISH ARORA	NIRC
345	ACS - 13252	MS. NOOPUR SARIN	SIRC	405	ACS - 14821	SH. VIVEK BAJAJ	EIRC
346	ACS - 13273	SH. MANOJ KUMAR MAGGON	NIRC	406	ACS - 14882	SH. VINEET JAIN	WIRC
347	ACS - 13290	SH. K ASWINI SREEKANTH	SIRC	407	ACS - 14885	SH. DEEPAK KUMAR	EIRC
348	ACS - 13328	SH. BRIAN IVAN B. D'SOUZA	WIRC	408	ACS - 14902	MS. AJITA KHAITAN	EIRC
349	ACS - 13329	MS. BABITA KULDIP SHARMA	WIRC	409	ACS - 14911	SH. RATESH MALHOTRA	NIRC
350	ACS - 13346	SH. RAJENDRA LAHU PATIL	WIRC	410	ACS - 14936	SH. JOLLY ARVINDER SINGH	NIRC
351	ACS - 13400	MS. SARIKA ARORA	NIRC	411	ACS - 14957	MS. SEEMA SANYAL	WIRC
352	ACS - 13409	SH. AMIT ANAND	NIRC	412	ACS - 14963	SH. RAMAN KUMAR	NIRC
353	ACS - 13455	SH. BIDYUT BARAN MALLICK	NIRC	413	ACS - 14972	SH. DIPESH RAMESHBHAI SHAH	WIRC
354	ACS - 13483	SH. RAJESH VASDEV HEMRAJANI	NIRC	414	ACS - 14976	MS. KIRTI CHAWLA	NIRC
355	ACS - 13485	MS. MONICA KOHLI	NIRC	415	ACS - 14978	MS. SANGEETA GUMBER	NIRC
356	ACS - 13525	SH. GIRIDHARAN SESHADRI	SIRC	416	ACS - 15019	SH. SHOURABH SHARMA	WIRC
357	ACS - 13552	MS. SANTOSHRI ROY	NIRC	417	ACS - 15024	MS. GEETU CHAKRABORTY	NIRC
358	ACS - 13555	SH. MOHINDER SINGH	NIRC	418	ACS - 15034	SH. RAJEEV GOSWAMI	NIRC
359	ACS - 13601	SH. YOGESH KUMAR SINGHAL	NIRC	419	ACS - 15080	SH. R. VENKATARAMAN	NIRC
360	ACS - 13638	SH. ASHISH CHANDRA	WIRC	420	ACS - 15098	SH. LALIT KUMAR	NIRC
361	ACS - 13649	SH. VISHAL DUA	NIRC	421	ACS - 15120	SH. RAHUL KUTHIALA	NIRC
362	ACS - 13665	SH. NARAYANAN PRABHAKARAN	SIRC	422	ACS - 15150	SH. RISHI DAGA	EIRC
363	ACS - 13669	SH. AKHILESH KUMAR NAND	NIRC	423	ACS - 15212	SH. NAWAL KISHORE VERMA	EIRC
364	ACS - 13674	MS. RUCHI GUPTA	NIRC	424	ACS - 15231	MS. D RAJALAKSHMI	SIRC
365	ACS - 13683	SH. VINOD KUMAR KAWATRA	NIRC	425	ACS - 15249	MS. S USHA	SIRC
366	ACS - 13688	SH. AMIT SHARMA	NIRC	426	ACS - 15250	MS. MONIKA CHALOTRA	SIRC
367	ACS - 13718	SH. NARENDRA KUMAR AMBAWAT	WIRC	427	ACS - 15291	MS. POONAM PANDEY	NIRC
368	ACS - 13729	SH. SUHAS KRISHNA PAI	WIRC	428	ACS - 15301	SH. Y SURENDER	SIRC
369	ACS - 13730	SH. ARUN TALWAR	NIRC	429	ACS - 15337	MS. POOJA AGARWAL	NIRC
370	ACS - 13758	SH. AMIT GUPTA	NIRC	430	ACS - 15356	SH. BAJRANG LAL BANTHIA	EIRC
371	ACS - 13794	MS. RUMA SUCHANTI	EIRC	431	ACS - 15384	SH. RAJA GANAPATHI	SIRC
372	ACS - 13803	SH. P. KRISHNAMURTHY	SIRC	432	ACS - 15392	MS. K P KRITHIKA	SIRC
373	ACS - 13821	MS. RENU BALA	NIRC	433	ACS - 15415	SH. GAGAN CHOUDHARY	WIRC
374	ACS - 13909	SH. V. RAMESH	SIRC	434	ACS - 15421	MS. DEEPTI RUSTAGI	NIRC
375	ACS - 13910	MS. R. BHUVANESWARI	SIRC	435	ACS - 15440	SH. VISHAL RANJAN LALA	NIRC
376	ACS - 13926	SH. S BALAJI	SIRC	436	ACS - 15444	SH. MANOJ KUMAR BAHETI	EIRC
377	ACS - 13953	SH. ANUPAM JAIN	EIRC	437	ACS - 15471	SH. SUNIL KUMAR SAHOO	EIRC
378	ACS - 13959	SH. P R KANNAN	SIRC	438	ACS - 15528	SH. NARAYAN MOHTA	EIRC
379	ACS - 13998	MS. TANHIEYA GHOSH	WIRC	439	ACS - 15539	MS. VYANJANA KIRITBHAI PANDYA	WIRC
380	ACS - 14030	MS. ANJALI MALHOTRA	NIRC	440	ACS - 15652	MS. ANILA AGRAWAL	NIRC
381	ACS - 14071	MS. DEEPA MAHESH	SIRC	441	ACS - 15698	SH. ASHISH BHARDWAJ	NIRC
382	ACS - 14085	SH. SHARAD KUMAR GOTECHA	EIRC	442	ACS - 15710	SH. GAJANAND SAHU	WIRC
383	ACS - 14178	SH. MUKESH KUMAR	NIRC	443	ACS - 15791	MS. MADHURI VEGESNA	SIRC
384	ACS - 14181	MS. NEERU BHALLA	NIRC	444	ACS - 15870	SH. PREM PRAKASH ROONGTA	WIRC
385	ACS - 14230	SH. ANUJ TUTEJA	NIRC	445	ACS - 15880	SH. DINESH KUMAR LODHA	SIRC
386	ACS - 14248	MS. DHANASHRI MAYURESH JOSHI	WIRC	446	ACS - 15898	SH. PRAHALLAD SAWDIA	WIRC
387	ACS - 14263	SH. NIDJELLI ANJANEYULU	SIRC	447	ACS - 15919	SH. CHIRAG NARESHBHAI PANDYA	WIRC
388	ACS - 14370	SH. DEEPAK KUMAR AGARWAL	EIRC	448	ACS - 15931	MS. TANU ARORA	WIRC
389	ACS - 14375	SH. SHANTI LAL DUGAR	NIRC	449	ACS - 15972	SH. VIKAS SHARMA	NIRC
390	ACS - 14382	MS. RAKHI KAPOOR	NIRC	450	ACS - 16000	MS. MEGHANA C DHAPRE	WIRC
391	ACS - 14393	SH. ARUN KUMAR YADAV	NIRC	451	ACS - 16086	MS. ARCHANA MAINI	NIRC
392	ACS - 14418	SH. JAYANT MANOHAR PATIL	WIRC	452	ACS - 16092	MS. HARPREET KAUR KAPOOR	NIRC
393	ACS - 14462	MS. SHILPI VIG	NIRC	453	ACS - 16096	SH. KANHAIYA GUPTA	EIRC
394	ACS - 14497	MS. T. ANURADHA	SIRC	454	ACS - 16108	SH. RAM CHANDRA KANT THAKKAR	WIRC
395	ACS - 14576	SH. M R GOPALAKRISHNAN	SIRC	455	ACS - 16143	SH. SANJAY BHURA	EIRC
396	ACS - 14598	SH. A SATYANARAYANA	SIRC				
397	ACS - 14604	SH. K VENKATESHAM	SIRC	456	ACS - 16214		
398	ACS - 14610	MS. PREETI KEDIA	NIRC				



LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012

457	ACS - 16227	SH. AJAY SIROHIA	EIRC	515	ACS - 17813	SH. SUMAN KUMAR AGARWAL	EIRC
458	ACS - 16232	SH. A CHANDRASEKARAN	SIRC	516	ACS - 17838	SH. SANJAY KUMAR JOHRI	NIRC
459	ACS - 16248	SH. MANISH SARAF	EIRC	517	ACS - 17902	SH. VIJAY SARATHI VADLAMANI	SIRC
460	ACS - 16261	MS. MINAL NAVINCHANDRA		518	ACS - 17911	MS. MEGHANA JAIN	NIRC
		GOSRANI	WIRC	519	ACS - 17946	SH. DEEPAK NATHANI	NIRC
461	ACS - 16281	SH. OMESH RAINA	SIRC	520	ACS - 17955	SH. SANDEEP KUMAR K.	SIRC
462	ACS - 16297	SH. ADITYA KUMAR TIBREWAL	EIRC	521	ACS - 17989	SH. DHARMENDER KUMAR	NIRC
463	ACS - 16377	SH. NITIN KUMAR	NIRC	522	ACS - 17992	SH. HARI BHASKARA MURTHY	SIRC
464	ACS - 16408	MS. PRITI SOMANI	EIRC	523	ACS - 18010	MS. RITU MAHESHWARI	WIRC
465	ACS - 16422	SH. SUDESH SHRIKANT		524	ACS - 18038	SH. AMIT KISHORE SINGH	NIRC
		CHINCHEWADI	SIRC	525	ACS - 18061	MRS. PARINA NIRAV SHAH	WIRC
466	ACS - 16446	MS. PREETY SEKSARIA	EIRC	526	ACS - 18070	SH. RAJU CHANDAK	EIRC
467	ACS - 16469	MS. SHWETA JAIN	NIRC	527	ACS - 18073	MS. ANJALI JAISWAL	NIRC
468	ACS - 16573	MS. NINA UPENDRA TRIVEDI	WIRC	528	ACS - 18088	SH. SANJEEV KUMAR GOYAL	EIRC
469	ACS - 16579	MS. R ANUSHA	SIRC	529	ACS - 18101	SH. D. VENKATA SUBBA RAO	SIRC
470	ACS - 16601	MS. SHIVANI SHRIVASTAV	WIRC	530	ACS - 18121	SH. SOURABH JALAN	SIRC
471	ACS - 16630	MS. PRAGATI RASTOGI	NIRC	531	ACS - 18156	MS. SAJEEDA MEHMOOD	
472	ACS - 16632	MS. M. K. KAMAKSHI	SIRC			BAGDADI	SIRC
473	ACS - 16642	SH. K. VENKATA RAM RAO	SIRC	532	ACS - 18212	MS. SONU JAIN	EIRC
474	ACS - 16677	SH. DINESH PRAVIN CHHEDA	WIRC	533	ACS - 18242	SH. VIKASH DUGAR	NIRC
475	ACS - 16678	MS. SUNITA AJAY VIRAT	NIRC	534	ACS - 18245	SH. BIHARI LAL GOENKA	EIRC
476	ACS - 16681	MS. GEETA KHANDUJA	NIRC	535	ACS - 18276	SH. RAJEEV SHARMA	NIRC
477	ACS - 16720	SH. AMIT BHUPENDRA SHAH	WIRC	536	ACS - 18283	SH. BINU ALEX V.	SIRC
478	ACS - 16733	SH. SALIL RANJIT SOLANKI	WIRC	537	ACS - 18285	SH. R. BOOPALAN	SIRC
479	ACS - 16734	SH. PANKAJ KAJARIA	EIRC	538	ACS - 18341	MS. MEETA KALRA	NIRC
480	ACS - 16745	SH. NIMIT M SANGHVI	WIRC	539	ACS - 18357	SH. RAJESH SOMANI	NIRC
481	ACS - 16756	SH. MOHIT CHAURASIA	NIRC	540	ACS - 18427	MS. L P DEOSTHALEE	WIRC
482	ACS - 16792	SH. MANOJ KUMAR DIGGA	EIRC	541	ACS - 18428	SH. JOYDIP BHATTACHARYA	NIRC
483	ACS - 16803	MS. MANSI TOPRANI	WIRC	542	ACS - 18464	SH. ROHIT BERIWAL	NIRC
484	ACS - 16822	MS. SHIPRA TANEJA	NIRC	543	ACS - 18525	SH. NILESH MAGANBHAI GOHIL	WIRC
485	ACS - 16847	MS SILVERIA TERESIILDA		544	ACS - 18542	SH. ASHISH AGRAWAL	WIRC
		D'SOUZA	WIRC	545	ACS - 18555	SH. VAIBHAV BHAGATRAJ KABRA	WIRC
486	ACS - 16877	SH. PRASANTA KUMAR SAHOO	WIRC	546	ACS - 18642	MS. G AKILA	SIRC
487	ACS - 16878	MS. POOJA SANGHI	WIRC	547	ACS - 18737	SH. AJAY MISRA	NIRC
488	ACS - 17083	SH. MANOJ KUMAR MIMANI	WIRC	548	ACS - 18740	SH. NEELAM PRAKASH SHARMA	NIRC
489	ACS - 17086	SH. ANKUR CHADHA	NIRC	549	ACS - 18758	MS. SHWETA MAHESHA	EIRC
490	ACS - 17098	SH. KAMAL SINGH CHOPRA	SIRC	550	ACS - 18767	SH. CHIRAG BHANUBHAI SHAH	WIRC
491	ACS - 17159	MS. CHINTU KHANNA	NIRC	551	ACS - 18794	MS. MUKTA GUPTA	NIRC
492	ACS - 17165	MS. SMITA BORUNDIA	SIRC	552	ACS - 18808	MS. SHILPA NAIK	WIRC
493	ACS - 17188	MS. KANWALJEET KAUR	NIRC	553	ACS - 18814	MS. SAKSHI GROVER	NIRC
494	ACS - 17200	SH. AMIT SIKRI	NIRC	554	ACS - 18855	SH. SAURABH VIJAY JOSHI	WIRC
495	ACS - 17245	MS. ARUNA SRINIVASAN	WIRC	555	ACS - 18867	SH. ABHAY RAJ SINGH	NIRC
496	ACS - 17266	SH. RITESH AGARWAL	EIRC	556	ACS - 18875	MS. TANU RITESH SARIN	NIRC
497	ACS - 17279	SH. VIPIN KUMAR SHARMA	NIRC	557	ACS - 18889	SH. B VENUGOPAL RAO	SIRC
498	ACS - 17332	SH. VIKAS DHAWAN	NIRC	558	ACS - 18919	SH. PRAVEEN KUMAR MALHOTRA	NIRC
499	ACS - 17421	SH. T PRAVEEN KUMAR	SIRC	559	ACS - 19007	MS. ANSHU SINGHAL	SIRC
500	ACS - 17423	SH. SUNIL YADAV	NIRC	560	ACS - 19013	MS. VEENU GUPTA	NIRC
501	ACS - 17474	SH. KRISHAN KUMAR	NIRC	561	ACS - 19097	MS. REKHA DOSHI	SIRC
502	ACS - 17545	MS. JYOTI ARORA	NIRC	562	ACS - 19121	SH. ASHIV SACHETI	NIRC
503	ACS - 17574	SH. MAGARAM HIRALAL SUTHAR	WIRC	563	ACS - 19123	MRS. REENU GULATI	SIRC
504	ACS - 17596	SH. RAJAT BAJAJ	NIRC	564	ACS - 19155	SH. VENKATA KIRAN RAVI	SIRC
505	ACS - 17602	SH. RAJESH KUMAR GOEL	SIRC	565	ACS - 19168	MS. RICHA JAIN	SIRC
506	ACS - 17626	SH. S. S. ARUNACHALAM	SIRC	566	ACS - 19180	SH. SANJEEV KUMAR BARNWAL	NIRC
507	ACS - 17634	SH. NITIN GAUTAM	WIRC	567	ACS - 19196	SH. VENKATESWARA RAO	
508	ACS - 17653	MS. KRITHIKA VIJAY KARTHIK	SIRC			VISHNUMOLAKALA	SIRC
509	ACS - 17705	MS. MONIKA ARORA	NIRC	568	ACS - 19212	M SATISH KUMAR SRIVASTAVA	WIRC
510	ACS - 17713	MS. DEEPTI GULATI	NIRC	569	ACS - 19213	MS. K MADHURAMBA	SIRC
511	ACS - 17720	MRS. JYOTI UDAR	SIRC	570	ACS - 19218	MS. G VIDHYA	SIRC
512	ACS - 17737	SH. RAKESH PODDAR	EIRC	571	ACS - 19223	SH. ABHISHEK ANAND	EIRC
513	ACS - 17782	MS. MEENAKSHI GUPTA	NIRC	572	ACS - 19225	MRS. MADHURI METKAR DALAL	WIRC
514	ACS - 17806	MS. M.ARPITA MANIKCHAND	SIRC	573	ACS - 19241	SH. NITIN KUMAR SHRIVASTAVA	NIRC
				574	ACS - 19278	MS. BINDU SHARMA	NIRC
				575	ACS - 19297	SH. UJJWAL PANT	NIRC

LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012



576	ACS - 19301	SH. ASHWINI KHANDLIKAR	SIRC	639	ACS - 20952	SH. AMIT BANKA	NIRC
577	ACS - 19314	SH. VIPUL KUMAR PARAKH	WIRC	640	ACS - 20959	MS. AKANKSHA SUREKA	EIRC
578	ACS - 19322	MS. RUCHIKA TANDON	NIRC	641	ACS - 20966 7740	MS. SHIVANI SHARMA	SIRC
579	ACS - 19328	MS. KARUNA SHARMA	NIRC	642	ACS - 20977	SH. VINAY JAYANT SAMPAT	WIRC
580	ACS - 19339	SH. SATHISH K	WIRC	643	ACS - 21012	SH. RAJENDER KUMAR	NIRC
581	ACS - 19396	SH. ROHIT MANSUKHANI	NIRC	644	ACS - 21017	SH. HEMANT SULTANIA	NIRC
582	ACS - 19398	SH. SHIV SHANKAR AGARWAL	NIRC	645	ACS - 21070	MS. LATA KUMARI	NIRC
583	ACS - 19444	SH. DEEPAK TYAGI	NIRC	646	ACS - 21181	SH. MANISH KUMAR AGARWAL	WIRC
584	ACS - 19457	SH. PARAS VASANTLAL MEHTA	WIRC	647	ACS - 21215	SH. D MURALI	SIRC
585	ACS - 19514	MS. URVI AASHISH KADAKIA	WIRC	648	ACS - 21222	MS. ANJU JALAN	EIRC
586	ACS - 19522	MS. RUPALI KAPAHI	NIRC	649	ACS - 21299	SH. PRADYOTSEN K SHUKLA	WIRC
587	ACS - 19530	SH. ANIL MAHENDRA RAJPUT	WIRC	650	ACS - 21342	SH PANKAJ GARG	SIRC
588	ACS - 19562	SH. R RAVINDRAN	SIRC	651	ACS - 21370	MS. VAISHALI DANekar	WIRC
589	ACS - 19596	MS. SHIPRA GUPTA	NIRC	652	ACS - 21386 9558	MS SAVITA RANI	NIRC
590	ACS - 19601	SH. SAGAR SHRIKRISHNA KHADE	WIRC	653	ACS - 21393	MRS. DIMPY GULATI	NIRC
591	ACS - 19607	SH. GAURAV AGARWAL	NIRC	654	ACS - 21397	SH CHANDAN NARANG	NIRC
592	ACS - 19654	SH. SANTOSH KUMAR MISHRA	EIRC	655	ACS - 21418	MRS. KETKI NAMENDRA BELHE	WIRC
593	ACS - 19660	SH. ARUN KUMAR JHAWAR	WIRC	656	ACS - 21422	MS NIPA HASMUKH SAVLA	WIRC
594	ACS - 19668	SH. SANJEEV KUMAR	NIRC	657	ACS - 21500	MS ANU AGGARWAL	NIRC
595	ACS - 19675	SH. ASHISH LAKHOTIA	NIRC	658	ACS - 21519 9504	MRS. KAIRAVI NEEL BILGI	WIRC
596	ACS - 19695	MS. BHARTI GANGWANI	NIRC	659	ACS - 21538	MS. ASMITA ANANTSSEN UPADHYE	WIRC
597	ACS - 19707	SH. PINKESH KUMAR JAIN	WIRC	660	ACS - 21556	MS. NIKETA SINHA	WIRC
598	ACS - 19712	SH. RADHAKRISHNAN R	SIRC	661	ACS - 21622	MRS. RASHMI GUPTA	EIRC
599	ACS - 19727	SH. HIMANSHU AGGARWAL	NIRC	662	ACS - 21648	MS. LAKSHMI KRISHNAMURTHY	SIRC
600	ACS - 19752	SH. NIRAJ KUMAR	NIRC	663	ACS - 21649	MR. RAJU RAMULU PEMBERTHI	WIRC
601	ACS - 19821	SH DHIRENDRA KUMAR ASRI	NIRC	664	ACS - 21706	MRS. URVASHI KAMANI	EIRC
602	ACS - 19839	MS ARIYA S R	SIRC	665	ACS - 21715 9064	MS. KIRTI BALAKRISHNAN	SIRC
603	ACS - 19850	SH CHANDRA KUMAR JAIN	EIRC	666	ACS - 21733	MS. ANITA JHAWAR	EIRC
604	ACS - 19875	SH PARAS MITTAL	NIRC	667	ACS - 21734	SH. PRANAV MAHAJAN	NIRC
605	ACS - 19896	SH SURIT MITRA	WIRC	668	ACS - 21738	MS. CHINU GUPTA	NIRC
606	ACS - 19910	SH VINAYAK NARAYAN BAPAT	WIRC	669	ACS - 21796	SH. RICHIN SANGWAN	NIRC
607	ACS - 19934	SH DINESH	WIRC	670	ACS - 21807	SH. KISHOR JAMANADAS	
608	ACS - 19950	MRS. RAKHI ARORA	NIRC			KAPADIA	WIRC
609	ACS - 19973	SH DEEPAK KUMAR JAIN B	SIRC	671	ACS - 21810	SH. KAPIL DHIRAJLAL JOSHI	WIRC
610	ACS - 20001	MS PRIYANKA KUKRETI	NIRC	672	ACS - 21854	MS. SHIKHA SHARMA	NIRC
611	ACS - 20043	SH MILIND RAMESH GANDHI	WIRC	673	ACS - 21940	SH. PAVAN KUMAR REDDY	
612	ACS - 20068	SH DILIP KABRA	NIRC			BADDAM	SIRC
613	ACS - 20080	SH SATISH CHANDRA PANDEY	NIRC	674	ACS - 21951	MS. RUCHI GUPTA	EIRC
614	ACS - 20105	MS NEHA VERMA	NIRC	675	ACS - 21960	MR. SHAISHAV UDANI	WIRC
615	ACS - 20182	MRS. RUCHIKA GUPTA	NIRC	676	ACS - 21989	SH. AMIT SHEKHAR	NIRC
616	ACS - 20195	MS REKHA C V	SIRC	677	ACS - 22017	SH. LAKSHMANAN T.T.	SIRC
617	ACS - 20221	SH ANKUR MEHROTRA	SIRC	678	ACS - 22124	SH. DIVYA BAGRECHA	WIRC
618	ACS - 20298	MS SHRUTI AJMERA	NIRC	679	ACS - 22137	MR. S S THANU	SIRC
619	ACS - 20342	MS HARPREET KAUR	NIRC	680	ACS - 22187	MS. KRIPALI ANIL JAVALE	WIRC
620	ACS - 20371	MS CHINTA SAI VIDYA	SIRC	681	ACS - 22236 8280	MS. NEHA BERLIA	EIRC
621	ACS - 20384	MS VYOMA VIJAY MANEK	WIRC	682	ACS - 22264	MS. A NIROOPA RANI	SIRC
622	ACS - 20398	SH ALOK RUDRA	SIRC	683	ACS - 22373	MR. UMASHANKAR N	SIRC
623	ACS - 20411	SH MUKESH KUMAR	WIRC	684	ACS - 22456 8096	MRS. JAYSHRI TULSYAN	EIRC
624	ACS - 20429	SH LALIT KUMAR CHATURVEDI	NIRC	685	ACS - 22586	MS. BHARTI KUKREJA	NIRC
625	ACS - 20431	SH RASHIM GUPTA	NIRC	686	ACS - 22640	MS. SAKSHI GULATI	NIRC
626	ACS - 20445	MS PRADEEBHA R	SIRC	687	ACS - 22671	SH. TEJOMURTULA RAMOJI	SIRC
627	ACS - 20483 9352	MR. JAYANT KUMAR DUBEY	NIRC	688	ACS - 22676 8379	MS. RUCHI KHADELWAL	WIRC
628	ACS - 20505	SH SHISHIR VERMA	WIRC	689	ACS - 22716	MS. SUPRIYA THAKUR	NIRC
629	ACS - 20510	MS ANUJA ATUL KUMAR SHAH	WIRC	690	ACS - 22725	SH. GURPREET SINGH	NIRC
630	ACS - 20641	SH. HIMANSU SEKHAR SINGH	EIRC	691	ACS - 22737	MS. SHEETAL CHECHANI	NIRC
631	ACS - 20702	SH. ABDUL SAMI	NIRC	692	ACS - 22784	MS. KUSUM GUPTA	EIRC
632	ACS - 20739 10179	SH. BAL KRISHAN PRADHAN	WIRC	693	ACS - 22792 10063	MRS. SHANNU CHATURVEDI	WIRC
633	ACS - 20771	MS. PRATHIMA YEDDULA	SIRC	694	ACS - 22904	MS. ANNU CHAUDHARY	NIRC
634	ACS - 20810	SH. B V S SUBRAHMANYAM GADE	SIRC	695	ACS - 22970	MS. SHWETA AGRAWAL	NIRC
635	ACS - 20856	MS. PRERNA HALWASIYA	WIRC	696	ACS - 23000	SH. VIPIN AGRAWAL	NIRC
636	ACS - 20884	SH. M L LUKOSE	SIRC	697	ACS - 23001	MS. VIDHI MANGLIK	NIRC
637	ACS - 20894	MS. BEENA KUMARI	NIRC				
638	ACS - 20905	SH. NITIN SELOT	NIRC				



LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012

698	ACS - 23004	MS. POOJA HASMUKH PAREKH	WIRC	752	ACS - 24434	MS. POOJA MALHOTRA	NIRC
699	ACS - 23025	MS. MONU PINCHA	EIRC	753	ACS - 24473	SH. ASHAR PARAG VITHALDAS	WIRC
700	ACS - 23059	SH. SUBRAHMANYAM APPALA	SIRC	754	ACS - 24475	MS. VANDANA MEHROTRA	NIRC
701	ACS - 23101	SH. RAJAT ARORA	NIRC	755	ACS - 24508	MS. MEENAKSHI DASH	SIRC
702	ACS - 23156	MS. NEHA BHANSALI	NIRC	756	ACS - 24524	MS. SAPNA HEERACHAND JAIN	NIRC
703	ACS - 23164	SH. RAVEENDRAN THAZA		757	ACS - 24662	MRS. MANASI SARANG GUDHATE	WIRC
		MADATHIL	SIRC	758	ACS - 24711	MS. SAPAN SHRIMAL	SIRC
704	ACS - 23211	SH. AMIT VIJAY KARIA	WIRC	759	ACS - 24837	SH. SAROJ KUMAR THAKUR	NIRC
705	ACS - 23215	MRS. MEHAK RAHUL CHAUDHRY	NIRC	760	ACS - 24925	SH. AKSHAR JAGDISH PATEL	WIRC
706	ACS - 23232	SH. SACHIN BHARDWAJ	NIRC	761	ACS - 24962	MS. DOLLY DAS	WIRC
707	ACS - 23244	MS. SMITA DHAMIJA	NIRC	762	ACS - 24970	MS. YASHITA JAIN	NIRC
708	ACS - 23258	MS. TORAL PRATAP JOSHI	WIRC	763	ACS - 25023	SH. NIRUPAM PAUL	NIRC
709	ACS - 23274	MS. DESUR KUMARASAMY		764	ACS - 25032	MS. TANIMA JAIN	NIRC
		DEEPA	SIRC	765	ACS - 25053	MS. RASHMI AGARWAL	EIRC
710	ACS - 23292	MS. RASHMI SHARMA	NIRC	766	ACS - 25075	SH. AMIT LOONKER	WIRC
711	ACS - 23293	SH. CHAITHANYA KRISHNA		767	ACS - 25081	MS. YAMINI MAHESHWARI	NIRC
		MURTHY GOGINENI	SIRC	768	ACS - 25122	MS. ABHILASHA TYAGI	NIRC
712	ACS - 23297	SH. KOLAPPA PILLAI S	SIRC	769	ACS - 25157	SH. RANJEET KUMAR AGRAWAL	EIRC
713	ACS - 23314	MS. SHWETA JAIN	EIRC	770	ACS - 25190	MS. KANIKA KHANNA	NIRC
714	ACS - 23336	MS. REEMA KHURANA	WIRC	771	ACS - 25252	SH. RAHUL TIBREWAL	EIRC
715	ACS - 23348	MS. HANISHA LALWALA	WIRC	772	ACS - 25261	SH. RAVENDRA PRATAP SINGH	NIRC
716	ACS - 23354	MR. VIVEK BHUKANIA	EIRC	773	ACS - 25355	MS. BUSHRA KHAN	NIRC
717	ACS - 23372	KAVITA VIKRAM KHANNA	WIRC	774	ACS - 25374	MS. RENUKA RAMAN	WIRC
718	ACS - 23386	SH. RAMCHANDER RAO		775	ACS - 25425	SH. AVINASH KUMAR SINGH	EIRC
		DESHARAJ	SIRC	776	ACS - 25476	MS. SUMONA DEY	NIRC
719	ACS - 23409	MS. NIDHI AJIT MEHTA	WIRC	777	ACS - 25506	MS. RITA DEDHWAL	NIRC
720	ACS - 23411	MRS. SANAM RISHI PURI	WIRC	778	ACS - 25517	MS. SHIWANGI HARWANI	NIRC
721	ACS - 23466	MS. SWETA GAJA	WIRC	779	ACS - 25525	MS. DIVYA ARORA	EIRC
722	ACS - 23492	MR. T S RAVI	SIRC	780	ACS - 25681	MS. RASHMI SAHNI	NIRC
723	ACS - 23508	MS. BHARGAVI K	SIRC	781	ACS - 25700	MS. NEHA MANDIRATTA	NIRC
724	ACS - 23511	SH. SOMNATH KAGADE	WIRC	782	ACS - 25712	MS. ARCHANA G	SIRC
725	ACS - 23560	MS. RICHYA CHAUHAN	WIRC	783	ACS - 25772	SH. P K PREM KUMAR	SIRC
726	ACS - 23566	MS. PAYAL AGARWAL	NIRC	784	ACS - 25794	MS. SHUBHANGI BHARAT PATIL	WIRC
727	ACS - 23630	MS. PRIYANKA GULATI	NIRC	785	ACS - 25799	SH. ANAND BHAGWAN SOMAN	WIRC
728	ACS - 23643	MR. KARTHIK MAHALINGAM	SIRC	786	ACS - 25882	MS. SHWETA CHOUDHURY	EIRC
729	ACS - 23675	MS. CHANDRA KALABHINETRI		787	ACS - 25894	MRS. PREETI KAUR BANSAL	NIRC
		PODUGU	SIRC	788	ACS - 25899	MRS. PUNITA SATYAM SHUKLA	SIRC
730	ACS - 23685	SH. HARDIK JAYANTILAL SAVLA	WIRC	789	ACS - 25918	MS. RAJINDER KAUR	EIRC
731	ACS - 23726	MRS. VANDANA ANEJA	NIRC	790	ACS - 25919	SH. VIKASH AGARWAL	NIRC
732	ACS - 23736	MS. RAQSHANDA NIAZI	NIRC	791	ACS - 25954	MS. SWATI CHADHA	NIRC
733	ACS - 23742	MS. SWATI VERMA	NIRC	792	ACS - 26019	SH. RAMAKRISHNA KAKI	SIRC
734	ACS - 23760	MS. AMI TANNA	WIRC	793	ACS - 26031	SH. VENKATA SUDHEER	
735	ACS - 23788	MS. VEENA G KAMAT	SIRC			BABU GONUGUNTA	SIRC
736	ACS - 23841	SH. DINESH KUMAR TRIVEDI	WIRC	794	ACS - 26065	SH. ANKUR GOYAL	NIRC
737	ACS - 23894	MS. ANURADHA SHARMA	NIRC	795	ACS - 26126	MS. RITU TIWARI	WIRC
738	ACS - 23929	SH. KRUPESH VINODKUMAR		796	ACS - 26230	SH. ANINDYA SEN	EIRC
		PATEL	WIRC	797	ACS - 26248	SH. PAWAN SINGLA	NIRC
739	ACS - 23937	SH. RAUNAK MAHESHWARI	NIRC	798	ACS - 26292	MS. SARITHA S	SIRC
740	ACS - 23946	MS. MOKSHA UMESH KOTIAN	WIRC	799	ACS - 26332	MRS. SMITA VINAY VARADKAR	WIRC
741	ACS - 24017	SH. RAJKUMAR PANDEY	NIRC	800	ACS - 26373	MRS. GARIMA KANODIA	EIRC
742	ACS - 24030	MS. REEBA VARUGHESE	NIRC	801	ACS - 26390	MS. NIKITA PRADEEP PARAKH	WIRC
743	ACS - 24035	SH. ABHISHEK SIKARIA	NIRC	802	ACS - 26413	MS. ANITA KUMARI SINGH	EIRC
744	ACS - 24054	MS. ANJALI DEVPURA	WIRC	803	ACS - 26423	MS. RINKI AGARWAL	NIRC
745	ACS - 24106	SH. VENKATRAMAN		804	ACS - 26445	MR. SUDHIR KUMAR RAI	NIRC
		VENKITACHALAM	WIRC	805	ACS - 26448	MS. ASRA SAJID	NIRC
746	ACS - 24108	SH. AMIT GUPTA	NIRC	806	ACS - 26550	MR. ABHAY PRAKASH SHRINGI	NIRC
747	ACS - 24115	SH. NILAY MEHTA	WIRC	807	ACS - 26555	MR. AMIT KUMAR CHHABRA	NIRC
748	ACS - 24146	MS. HONEY GUPTA	NIRC	808	ACS - 26585	MS. SONALI SINGH	NIRC
749	ACS - 24314	MS. SHIPRA MOHTA	NIRC	809	ACS - 26605	MR. YATIN MEHTA	NIRC
750	ACS - 24337	SH. BHARAT BIMAL BANTHIA	EIRC	810	ACS - 26666	MS. SHADAB SHABBIR LATIF	WIRC
751	ACS - 24348	MS. DIPIKA HARLALKA	EIRC	811	ACS - 26778	MS. ASTHA MATHUR	NIRC
				812	ACS - 26794	MS. ANU HANDA	NIRC
				813	ACS - 26859	MS. VANITHA NAGULAVARI	SIRC

LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012



814	ACS - 26920	MS. DIVYA KANDOI	EIRC	877	ACS - 28748	MS. JANANEE B	SIRC
815	ACS - 26965	MS. PRAGYA SURESH JAIN	NIRC	878	ACS - 28779	MR. AMIT MAHESHWARI	NIRC
816	ACS - 27037	MS. HEENA KOTHARI	WIRC	879	ACS - 28872	MS. ADITI ASHOK JAIN	WIRC
817	ACS - 27046	MS. DEEPSHIKHA SHARMA	SIRC	880	ACS - 28876	MR. ANUJ NIGAM	NIRC
818	ACS - 27051	MS. VERSHA SAROHA	NIRC	881	ACS - 28896	MR. SANDEEP CHOUDHARY	NIRC
819	ACS - 27240	SH. MANOJ KUMAR GUPTA	NIRC	882	ACS - 28897	MS. NISHA PANDEY	SIRC
820	ACS - 27262	MS. HETAL BHARAT SHETH	WIRC	883	ACS - 28902	MR. SHAILESH SURESH SHINDE	WIRC
821	ACS - 27271	SH. ALOK DHARMRAJ MISHRA	WIRC	884	ACS - 28949	MS. DAKSHITA CHOPRA	NIRC
822	ACS - 27278	MS. CHARU BHANDARI	NIRC	885	ACS - 28953	MS. TANVI RASTOGI	NIRC
823	ACS - 27288	MS. GAYATHRI C V	SIRC	886	ACS - 28954	MR. VIKAS MOHANLAL AGARWAL	WIRC
824	ACS - 27295	MS. DEEPA SHRIVASTAVA	WIRC	887	ACS - 28980	MR. ASHWANI KUMAR BOHRA	NIRC
825	ACS - 27305	MS. MITALI SHUKLA	NIRC	888	ACS - 29104	MS. DISHAA JAIN	SIRC
826	ACS - 27331	MS. AKANSHA BHARGAVA	NIRC	889	ACS - 29154	MS. SNEHA SINGHANIA	EIRC
827	ACS - 27350	MS. PRIYANKA LAHOTY	EIRC	890	ACS - 29190	MS. PARIDHI BHARGAVA	SIRC
828	ACS - 27357	MR. AMIR FAROOQ KHAN	NIRC	891	ACS - 29202	MS. MEGHA KAPOOR	EIRC
829	ACS - 27366	MS. PRITIKA BAJORIA	EIRC	892	ACS - 29213	MR. SANKET TARUN BHINDE	WIRC
830	ACS - 27395	MR. GANAPATHY KAVIN RAJ	SIRC	893	ACS - 29219	MS. KANIKA GUPTA	NIRC
831	ACS - 27450	MS. PUJA AGARWAL	EIRC	894	ACS - 29238	MR. AJAY KUMAR SHUKLA	EIRC
832	ACS - 27540	MS. MADHURI RAJENDRA MORE	WIRC	895	ACS - 29255	MRS. SIMUL ROHAN SHAH	WIRC
833	ACS - 27544	MR. DEV MANI SHARMA	NIRC	896	ACS - 29258	MS. AMITA CHANDRAKANT	WIRC
834	ACS - 27567	MS. AKANKSHA RUSTAGI	NIRC	897	ACS - 29319	MS. SHASHIKALA K	SIRC
835	ACS - 27590	MS. TANNVI MEHTA	WIRC	898	ACS - 29342	MS. MONA SHEORAJ CHHANGANI	NIRC
836	ACS - 27615	SH. K S GOPALAKRISHNAN	SIRC	899	ACS - 29357	MS. KAVITA RAMESH SAGALIA	WIRC
837	ACS - 27628	MR. VIJAY MEHTA	NIRC	900	ACS - 29384	MS. AARTI SHARMA	WIRC
838	ACS - 27631	MS. SHALLY BHUDDI	NIRC	901	ACS - 29431	MR. ASHISH PAREEK	NIRC
839	ACS - 27636	SH. ASHUTOSH ANANT SURU	WIRC	902	ACS - 29496	MS. SHWETA CHANDURU	SIRC
840	ACS - 27651	MR. RITESH KALRA	NIRC	903	ACS - 29530	MS. RASHI GOYAL	NIRC
841	ACS - 27751	MR. UMESH CHAND GUPTA	NIRC	904	ACS - 29546	MS. NUPUR GUPTA	NIRC
842	ACS - 27797	MR. V RADHAKRISHNAN	SIRC	905	ACS - 29550	MS. KRUTI SHAH	WIRC
843	ACS - 27889	MS. GAURI SHASHIKANT TARE	WIRC	906	ACS - 29567	MR. MAHESH NARAYANAN	SIRC
844	ACS - 27912	MS. SHASHI BALA	NIRC	907	ACS - 29631	MRS. DIVYA JALLA	SIRC
845	ACS - 27937	MR. VINOD GULABGIR GOSWAMI	SIRC	908	ACS - 29655	MR. DEEPAK WALIA	NIRC
846	ACS - 27945	MS. TANNU MEHTA	NIRC	909	ACS - 29667	MR. GULSHAN KUMAR BATRA	NIRC
847	ACS - 27966	MS. MINAKSHI SHARMA	NIRC	910	ACS - 29671	MS. RENUKA M C	SIRC
848	ACS - 27976	MR. SUNIL KUMAR	NIRC	911	ACS - 29698	MR. JOEL	NIRC
849	ACS - 28009	MR. SANTOSH KUMAR	EIRC	912	ACS - 29754	MS. KANTA KIRORIWAL	NIRC
850	ACS - 28089	MS. MANGALA SACHIN SAVLA	WIRC	913	ACS - 29758	MS. MEENAKSHI GOEL	NIRC
851	ACS - 28109	MR. UTTAM SINGH NEGI	NIRC	914	ACS - 29770	MR. V ANANTHA SUBRAMANIAN	SIRC
852	ACS - 28115	SH. RAKESH NIHALANI	WIRC	915	ACS - 29772	MR. AVNISH MALPANI	NIRC
853	ACS - 28139	MR. AMIT PAREEK	SIRC	916	ACS - 29779	MS. MEERA KRISHNAKUMAR	SIRC
854	ACS - 28178	MS. SURUCHI KOLHATKAR	WIRC	917	ACS - 29804	MR. RAJENDRA KUMAR JAIN	WIRC
855	ACS - 28190	SH. NIKHIL SEHGAL	NIRC	918	ACS - 29814	MS. ISHA BATLA	NIRC
856	ACS - 28242	MR. SURYA PRAKASH GUPTA	NIRC	919	ACS - 29816	MS. POOJA JOSHI	NIRC
857	ACS - 28327	MS. POONAM ARUKIA	EIRC	920	ACS - 29828	MS. BHARATI N SHAH	WIRC
858	ACS - 28377	MR. ATUL SUDHAKAR JEWALIKAR	WIRC	921	ACS - 29837	MS. SWATI SINGH	EIRC
859	ACS - 28381	MR. ZIA AHSAN ANSARI	WIRC	922	ACS - 29859	MS. NEELIMA LAKSHMI	SIRC
860	ACS - 28386	MS. MADHU BANSAL	NIRC	923	ACS - 29901	MANTRIPRAGADA	SIRC
861	ACS - 28452	MR. AWADHESH KUMAR PANDEY	EIRC	924	ACS - 29902	MS. LAKSHMI GUPTA	NIRC
862	ACS - 28507	MR. PRAVIN KUMAR	EIRC	925	ACS - 29903	MR. PIYUSH NEWAR	NIRC
863	ACS - 28511	MR. NITESH CHOUDHARY	WIRC	926	ACS - 29904	MS. ALKA KHANDELWAL	EIRC
864	ACS - 28522	MR. A NOORAL NIZAR	SIRC	927	FCS - 23	MRS. ADITI ALMAL DE	EIRC
865	ACS - 28541	MR. SANJAY KISHOR DINGARE	WIRC	928	FCS - 66	SH. HANS RAJ GUPTA	NIRC
866	ACS - 28551	SH. RAHUL HEMANT DEODHAR	WIRC	929	FCS - 83	SH. P K SHARMA	EIRC
867	ACS - 28557	MR. VIVEK KEDIA	EIRC	930	FCS - 85	SH. B BHAGWAT	WIRC
868	ACS - 28561	MS. SIFORA ROCHELL PEREIRA	WIRC	931	FCS - 175	SH. SURESH YESHWANT NIMKAR	WIRC
869	ACS - 28578	MR. YOGEESSHA S BHAT	SIRC	932	FCS - 239	SH. J SRINIVASAN	SIRC
870	ACS - 28626	MS. SHILPA SHARMA	NIRC	933	FCS - 242	SH. BISHAN SAHAI	NIRC
871	ACS - 28645	MR. K NARASIMHAN	SIRC	934	FCS - 257	SH. THAKUR UDHAWDAS KHATRI	WIRC
872	ACS - 28647	MS. TRUPTI KABRA	NIRC	935	FCS - 276	SH. UMASHANKAR CHOUDHARY	WIRC
873	ACS - 28652	MRS. PUJA GOEL	NIRC	936	FCS - 278	SH. INDER KUMAR GUPTA	NIRC
874	ACS - 28679	MS. AVANI DEEPAK SHAH	WIRC			SH. ISHWAR DUTT SHARMA	NIRC
875	ACS - 28689	MR. GAURAV GOYAL	EIRC				
876	ACS - 28702	MS. K RAJA RAJESWARI	SIRC				



LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012

937	FCS - 318		SH. C V RAMACHANDRAN	WIRC	994	FCS - 1685		SH. SUBODH S. NADKARNI	WIRC
938	FCS - 329		SH. S SRINIVASAN	SIRC	995	FCS - 1689		SH. UTTAM GADA	WIRC
939	FCS - 364		SH. V SHANMUGHAM	SIRC	996	FCS - 1725		SH. MAHENDER PAL ARORA	NIRC
940	FCS - 382		SH. KHURSHED NARIMAN PATEL	WIRC	997	FCS - 1730	745	SH. S N SARBADHIKARI	EIRC
941	FCS - 385		SH. SEBASTIAN ANATHZETH		998	FCS - 1782		SH. M K PATEL	WIRC
			JOSEPH	SIRC	999	FCS - 1814		SH. RAMNATH RAMCHAND	SIRC
942	FCS - 444	3161	SH. S S UPADHYAYA	WIRC	1000	FCS - 1928		SH. JEET CHUGANI	WIRC
943	FCS - 468		SH. VENKETARAMAN		1001	FCS - 1947		SH. K S VENKATESWARAN	WIRC
			BALARAMAN	SIRC	1002	FCS - 1971		SH. P BALAKRISHNAN	SIRC
944	FCS - 524	2296	SH. V VARADARAJAN	SIRC	1003	FCS - 1982		SH. S RAMAKRISHNAN	SIRC
945	FCS - 528		SH. S S KSHETRAMADE	WIRC	1004	FCS - 2138		SH. N L NARASIMHAN	WIRC
946	FCS - 531		SH. P P IYER	WIRC	1005	FCS - 2153		SH. PRABHUDAS RANCHHODAS	
947	FCS - 548	2846	SH. SARDAR SINGH BAPNA	NIRC				RAJKOTIA	WIRC
948	FCS - 586		SH. P O GEORGE	SIRC	1006	FCS - 2163		SH. B K PRASAD	SIRC
949	FCS - 588		SH. JAGADISH CHANDRA DAS	EIRC	1007	FCS - 2264		SH. K NARAYANAN	SIRC
950	FCS - 594		SH. C G L SHAH	WIRC	1008	FCS - 2291		SH. RAHUL MOHNOT	NIRC
951	FCS - 597		SH. S VENKATRAMAN	EIRC	1009	FCS - 2305	2703	SH. BAMBHOLA JHA	EIRC
952	FCS - 624		SH. PARMOD KUMAR NANDA	NIRC	1010	FCS - 2320		SH. DEEPAN KUMAR HASTIR	NIRC
953	FCS - 637		SH. INDRA SAIN KOHLI	NIRC	1011	FCS - 2345		SH. N MAHAPATRA	EIRC
954	FCS - 643		SH. R K GOYAL	WIRC	1012	FCS - 2415		SH. RAJ KUMAR BAHETI	WIRC
955	FCS - 661		SH. K R RAMAMOORTHY	SIRC	1013	FCS - 2496		SH. R VARAHAMOORTHY	SIRC
956	FCS - 687		SH. BHALCHANDRA KASHINAT		1014	FCS - 2520		SH. KAMAL MEHTA	NIRC
			KHARE	WIRC	1015	FCS - 2523		SH. S RAMANUJAM	WIRC
957	FCS - 689		SH. D K GHOSH	EIRC	1016	FCS - 2576		SH. UDAY MADHUKAR KAPURE	WIRC
958	FCS - 705		SH. SAKTI BRATA SARKAR	EIRC	1017	FCS - 2607		SH. E PHALGUNA KUMAR	SIRC
959	FCS - 718		SH. GYANESWAR BANSAL	NIRC	1018	FCS - 2610		SH. K VENKOBA RAO	SIRC
960	FCS - 806		SH. M N K NAYAR	SIRC	1019	FCS - 2657		SH. VASS DEV WADHWA	NIRC
961	FCS - 812		SH. E K GOPALAKRISHNAN	SIRC	1020	FCS - 2698		SH. K S NARAYANAN	NIRC
962	FCS - 822		SH. K SUBHAKAR RAO	SIRC	1021	FCS - 2702		SH. MAHESH CHAND GUPTA	EIRC
963	FCS - 858		SH. GHANSHYAM DAS MAWANDIA	EIRC	1022	FCS - 2746		SH. AFTAB ABBASBHAI	
964	FCS - 866		SH. GANPAT LAL BANSAL	NIRC				RANGWALA	WIRC
965	FCS - 907		SH. T RANGA RAO	SIRC	1023	FCS - 2761		SH. M R VISWAMBHARAN NAIR	SIRC
966	FCS - 937		SH. V P CHANDGOTHIA	NIRC	1024	FCS - 2794	1686	MS. MAMTA JAIN	NIRC
967	FCS - 968		SH. SURESH SHANTILAL SHAH	WIRC	1025	FCS - 2824		SH. MUKESH CHANDRA JAIN	WIRC
968	FCS - 986		SH. N V JOSHI	WIRC	1026	FCS - 2866		SH. MANOHAR LAL MEHTA	NIRC
969	FCS - 1046	1299	SH. NIRMAL KUMAR GHOSAL	NIRC	1027	FCS - 2885		SH. BHUSHAN KUMAR GARG	NIRC
970	FCS - 1050		SH. K V RANGARAO	SIRC	1028	FCS - 2903		SH. JYOTIN KANTILAL MEHTA	WIRC
971	FCS - 1068		DR. ABHIJIT SEN	EIRC	1029	FCS - 2932		SH. T S K MENON	SIRC
972	FCS - 1129	4195	SH. PREM BATRA	WIRC	1030	FCS - 2961		SH. T KRISHNAIAH	SIRC
973	FCS - 1138		SH. LALIT M RATADIA	WIRC	1031	FCS - 2989		SH. K K DASGUPTA	EIRC
974	FCS - 1147		SH. KUMAR D KAPASI	WIRC	1032	FCS - 3010		SH. RAMESH LAL BHATIA	NIRC
975	FCS - 1200		DR. KRISHNA BEHARI AGARWAL	NIRC	1033	FCS - 3033		SH. BALKRISHNAN SUKUMAR	WIRC
976	FCS - 1251		SH. VIJAY VERMA	WIRC	1034	FCS - 3139		SH. U A PATEL	WIRC
977	FCS - 1267		SH. N M SAMUEL	NIRC	1035	FCS - 3143		SH. MAHESH S IDNANI	WIRC
978	FCS - 1291		SH. G GEHANI	NIRC	1036	FCS - 3216		SH. RAMESH KUMAR	
979	FCS - 1315		SH. V P BAGRI	NIRC				GANERIWALA	EIRC
980	FCS - 1326		SH. A V RAVINDRANATH	NIRC	1037	FCS - 3217		SH. DEEPAK JAGDISH ACHARYA	WIRC
981	FCS - 1353	405	SH. B P AGARWAL	NIRC	1038	FCS - 3224		SH. PRADEEP LAL MEHTA	EIRC
982	FCS - 1389		SH. RADHE SHYAM THIRANI	EIRC	1039	FCS - 3228		SH. RAMESNDRA NATH GHOSH	EIRC
983	FCS - 1411		SH. Y HARIHARA SUBRAMANIAM	WIRC	1040	FCS - 3268		SH. SUNDER LAL	NIRC
984	FCS - 1419	886	SH. RAVINDRA V JOSHI	WIRC	1041	FCS - 3274		SH. AMBEESH MARWAH	NIRC
985	FCS - 1422		SH. G P BANSAL	NIRC	1042	FCS - 3307		SH. JATIN LUTHRA	NIRC
986	FCS - 1521		SH. KRISHNA CHANDRA SHARMA	NIRC	1043	FCS - 3332		SH. PRAKASH VITHAL PAGE	WIRC
987	FCS - 1572		SH. A G MEHTA	WIRC	1044	FCS - 3379		SH. ATUL MITTAL	NIRC
988	FCS - 1576		SH. A VISWANATHA REDDY	SIRC	1045	FCS - 3404		SH. SUNIL KUMAR MALHOTRA	NIRC
989	FCS - 1582		SH. L VEDANARAYANAN	WIRC	1046	FCS - 3439		SH. R JEYABASKARAN	NIRC
990	FCS - 1604		SH. MAHESH CHANDRA RAWAT	WIRC	1047	FCS - 3518		SH. AKHIL PRASAD	NIRC
991	FCS - 1631		SH. S S KUMAR	NIRC	1048	FCS - 3539		SH. ANIL K. MALHOTRA	NIRC
992	FCS - 1637		SH. R P DUBEY	NIRC	1049	FCS - 3546		SH. NARENDER KUMAR HARJAI	NIRC
993	FCS - 1641		SH. VATTAVANNA GOVINDAN		1050	FCS - 3577		SH. ANDLEEB HAMID ZUBERI	NIRC
			KUTTY	WIRC	1051	FCS - 3578		MS. NIRMAL DIXIT	NIRC
					1052	FCS - 3643		SH. VISHAL GARG	NIRC
					1053	FCS - 3647		SH. VIKRAM MANOHAR MUNJE	WIRC

LIST OF MEMBERS WHOSE NAMES STAND REMOVED FROM THE REGISTER OF MEMBERS W.E.F. 1ST SEPTEMBER, 2012



1054	FCS - 3663	SH. MANOJ KUMAR GOEL	NIRC	1116	FCS - 5337	MS. T N GAYATHRI	SIRC		
1055	FCS - 3669	DR SANJEEV GEMAWAT	NIRC	1117	FCS - 5373	4631	MS. NEHA ABHIJIT DOSHI	WIRC	
1056	FCS - 3714	SH. RAJESH KUMAR MOONDRA	WIRC	1118	FCS - 5425		MS. REEMA SHARMA NAGWAN	NIRC	
1057	FCS - 3747	SH. ARUN KUMAR GUPTA	NIRC	1119	FCS - 5472		SH. SUNIL KHENGARJI PARMAR	WIRC	
1058	FCS - 3750	SH. SHIV SINGH RAGHUWANSHI	WIRC	1120	FCS - 5490	8558	MS. MONIKA KATARIA	NIRC	
1059	FCS - 3855	SH. RAJESH TAYAL	WIRC	1121	FCS - 5542	4839	SH. VINEET KUMAR TRIPATHI	NIRC	
1060	FCS - 3919	SH. YESHWANT S S KAPDI	WIRC	1122	FCS - 5567		SH. SANJAY TAPRIYA	NIRC	
1061	FCS - 3920	SH. MANISH KUMAR JAIN	NIRC	1123	FCS - 5572		SH. ADITYA SHARMA	EIRC	
1062	FCS - 3925	2310	SH. Y P CHAUHAN	NIRC	1124	FCS - 5704	SH. ASHOK J VAGERIYA	WIRC	
1063	FCS - 3938		SH. CHANDER BHAN GUPTA	NIRC	1125	FCS - 5719	SH. K K RAO	SIRC	
1064	FCS - 3950		SH. SOUMITRA GHOSE	EIRC	1126	FCS - 5753	SH. TARUN JINDAL	NIRC	
1065	FCS - 3955		SH. AJAY KUMAR MEHTA	NIRC	1127	FCS - 5762	SH. KAMAL SACHDEV	NIRC	
1066	FCS - 3958		SH. SHRIDHAR D BHURKE	WIRC	1128	FCS - 5775	4461	SH. MOHANLAL AGARWAL	EIRC
1067	FCS - 3975		SH. MAYANK U DEVASHRAYEE	WIRC	1129	FCS - 5785		SH. NARAYAN MANDHANA LAXMI	EIRC
1068	FCS - 3997		SH. PRAKASH KUMAR BERIA	WIRC	1130	FCS - 5790		SH. UPENDER GUPTA	NIRC
1069	FCS - 4022		SH. RAJIV AGARWAL	NIRC	1131	FCS - 5830		SH. S RAJESWARA RAO	WIRC
1070	FCS - 4029		SH. COUTINHO REX	WIRC	1132	FCS - 5889		SH. PANKAJ KALANI	WIRC
1071	FCS - 4034		SH. R SRINIVASAN	NIRC	1133	FCS - 5921	4729	SH. ABHIMANYU UPADHYAYA	NIRC
1072	FCS - 4037		SH. DEVENDRA KUMAR MISHRA	NIRC	1134	FCS - 5944		SH. SUNDER MALOO	NIRC
1073	FCS - 4038		SH. M MANICKAM	WIRC	1135	FCS - 5995	6297	SH. KHURSHEED ALAM	EIRC
1074	FCS - 4072		SH. AMIT MEHRA	NIRC	1136	FCS - 6078		SH. ASHISH PANDEY	WIRC
1075	FCS - 4082		SH. VINAY SHUKLA	NIRC	1137	FCS - 6110		MS. SWETA PARMOD GARG	WIRC
1076	FCS - 4097		MS. REKHA S JAGDALE	WIRC	1138	FCS - 6118		SH. YUG SAMRAT	NIRC
1077	FCS - 4114		SH. NARINDER KUMAR GARG	NIRC	1139	FCS - 6208		SH. MANAK CHAND DAGA	WIRC
1078	FCS - 4120		SH. SHASHANK BELKHEDE	WIRC	1140	FCS - 6211		SH. RAGHUVANSH MANI	NIRC
1079	FCS - 4149		SH. SUSHIL KUMAR LAHOTI	EIRC	1141	FCS - 6214		SH. RANBIR DAS	NIRC
1080	FCS - 4169		SH. M SAKKRAPANI	SIRC	1142	FCS - 6283		SH. RAMAWATAR KILA	NIRC
1081	FCS - 4183		SH. L SRIDHAR	SIRC	1143	FCS - 6378	6808	MS. MANISHA GUPTA	NIRC
1082	FCS - 4281		SH. ANUJ GOYAL	NIRC	1144	FCS - 6503		SH. D MADHUSUDHANA REDDY	SIRC
1083	FCS - 4290		SH. CHIMAKURTHY GANDHI RAJA	SIRC	1145	FCS - 6518		SH. SHARAD CHANDRA SHARMA	NIRC
1084	FCS - 4300		SH. GIRRAJ PRASAD GUPTA	NIRC	1146	FCS - 6594	6755	MS. SANGITA GUPTA	NIRC
1085	FCS - 4323		SH. ANAND PRAKASH GARG	NIRC	1147	FCS - 6620		SH. SURAJ AGGARWAL	NIRC
1086	FCS - 4389		SH. K VAIDYANATHAN	WIRC	1148	FCS - 6652		SH. MANOJ KUMAR AGGARWAL	NIRC
1087	FCS - 4407		MS. ANSHUL AGRAWAL	NIRC	1149	FCS - 6676		SH. RAJESH BHURA	WIRC
1088	FCS - 4415		SH. NITIN HARVINDRAI VASAVADA	WIRC	1150	FCS - 6735		MS. LEENA PAGARIA	NIRC
1089	FCS - 4425	2795	SH. NAVEEN KUMAR GUPTA	NIRC					
1090	FCS - 4456		SH. MANOJ AGRAWAL	NIRC					
1091	FCS - 4466		SH. AMIT GUPTA	NIRC					
1092	FCS - 4504		SH. RABINDRA NATH SWAIN	EIRC					
1093	FCS - 4523		SH. SHISHIR SUBHASH KARNIK	WIRC					
1094	FCS - 4555		SH. PURUSHOTTAM K GROVER	NIRC					
1095	FCS - 4594	5262	MS. KIRAN DHAL	NIRC					
1096	FCS - 4622		SH. VINEET KUMAR SINGHAL	NIRC					
1097	FCS - 4641		SH. BHARAT GOEL	NIRC					
1098	FCS - 4710		SH. D S R KRISHNAMURTI	NIRC					
1099	FCS - 4729		SH. AJAY KUMAR JAIN	EIRC					
1100	FCS - 4771		DR. SHIV SHANKAR SHARMA	NIRC					
1101	FCS - 4781		SH. RAVEESH BAFNA	WIRC					
1102	FCS - 4798	3114	MS. RUCHI VERMA	NIRC					
1103	FCS - 4805		SH. RAJ KUMAR AGRAWAL	NIRC					
1104	FCS - 4834		SH. KAUSHIK B KAPADIA	WIRC					
1105	FCS - 4843		SH. INDERPREET SINGH KOHLI	NIRC					
1106	FCS - 4894		SH. KAMAL JAIN	NIRC					
1107	FCS - 4968		MS. SANTOSH KHANDELWAL	NIRC					
1108	FCS - 4986		SH. PRASHANT SHARMA	NIRC					
1109	FCS - 5091		SH. JOGINDER SHARMA	NIRC					
1110	FCS - 5100	2920	SH. KRISHAN ARORA	NIRC					
1111	FCS - 5206		SH. ARUN KUMAR GUPTA	NIRC					
1112	FCS - 5212		SH. HARJIT SINGH SIDHU	NIRC					
1113	FCS - 5253		SH. AJAY PRATAP SINGH	WIRC					
1114	FCS - 5258		MS. MAMTA MITTAL	NIRC					
1115	FCS - 5310		SH. PANKAJ NARANG	NIRC					

KIND ATTENTION! MEMBERS

Prize Query Scheme

Enhancement of the Prize Amount

MEMBERS will be glad to know that the prize money for replies to prize queries published in Chartered Secretary has now been enhanced to Rs. 1000 in cash for each of the two best answers for the prize query published from July 2012 issue and onwards. The names of the winners and their replies will also be published in the journal. The decision of the Board will be final and binding on the members and no query will be entertained once a decision is finalized about the prize winners. Further the Board has all the inherent powers to cancel any particular month's prize query scheme if sufficient number of responses are not received to make it a healthy competition.

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News From the Regions

Eastern India Regional Council

23rd Regional Conference of Company Secretaries

On 9 and 10.11.2012 the ICSI - EIRC organised its 23rd Regional Conference of Company Secretaries on "Growing Industrialisation and Ethical Economic Behaviour: Role of Professionals" at Kolkata. On the first day of the Conference, CS Ranjeet Kanodia, Chairman ICSI EIRC in his welcome address said that industrialisation which began centuries ago have benefited mankind in a huge way and paved way for economic development. He said that for sustained and inclusive growth of the economy we should follow good governance and behave ethically.

The Chief Guest was Madan Mitra, Hon'ble Minister for Transport, Govt. of West Bengal and the Guest of Honour was CS Debasish Bandopadhyay, Registrar of Companies (West Bengal), Ministry of Corporate Affairs. CS Nesar Ahmad, President, the ICSI, CS Ashok Pareek, CS Atul Mehta, Council Members, the ICSI were the other dignitaries present on the dais.

Madan Mitra in his address thanked ICSI for inviting him to the conference and emphasized on the role of CS for an organization or business. He said that the topic chosen is very relevant and wished the conference all success. CS Debasish Bandopadhyay while addressing said that ethics form part of conscience and CS as Compliance Officers should always stand for the right things. He also stressed that compliance is an index of corporate discipline. CS Nesar Ahmed said that the Companies Bill to be tabled in the Parliament is a part of reforms process aimed at development. He then spoke on the initiatives taken by the Institute with respect to corporate governance, professional development. CS Atul Mehta said that role of CS is changing and one should be adaptive to change. A souvenir to mark the event was released by the dignitaries. CS Deepak Khaitan, Secretary, ICSI EIRC proposed the vote of thanks.

In the First Session CS Ranjeet Kanodia, was the Chairman of the session. The speaker on "Shaping Values in Business" was

Saikat Sen, Director, Sri Arobindo Foundation for Integral Management, Sri Arobindo Society, Pondicherry who in his address said that organization is a sum total of people, resources, etc. He said that organization should give more importance to people and pointed out that good governance requires good leaders. The speaker on the topic "Ethics in Business - Role of Professionals" was CS Vinod Kothari, Practising Company Secretary, Vinod Kothari & Co, who spoke on India's ranking in transparency and governance by International agencies. He said that maintaining transparency in business is important and fraud is another problem faced by companies which needs to be looked into. He added that to practice Ethical behavior and conduct is an important trait to be displayed by professionals which is an important part of business. The next speaker on "Vision 2020" was CS Nesar Ahmad where he was pleased to inform that the Institute has recently formulated new Vision and Mission which strongly desires Company Secretaries to lead Corporate India as Governance professionals. He then spoke on the importance of the Vision 2020 document and how it's going to improve and develop the profession, the Institute and all stakeholders.

On the second day of the Conference, "Search & Seizure under Income Tax" was the topic addressed by CA (Dr.) Girish Ahuja, Professor, Shri Ram College of Commerce Education. CS Ranjeet Kanodia in his address said that as Company Secretaries we should be well conversant with other areas than corporate laws like income tax, service tax etc. Ahuja in his address spoke on the definition of search and seizure, the methods involved, the process followed by the Income tax Department. He explained in easy and lucid manner the various terms involved, the procedure etc. The session was informative and interactive.

The topic of the second session was "Role of Company Secretaries in HR" addressed by CS Atul H. Mehta, Council Member, the ICSI. CS Ranjeet Kanodia was the Chairman of the session. Mehta in his keynote presentation said that there have been phenomenal changes in the last two decades and the only constant is change. He said that Company Secretaries should not restrict themselves to Corporate Laws but also delve into areas like Information Technology, Human Resource, Competition Act, etc. With respect to Human Resource he said that it has got vast scope as performance management, employee motivation, retention, succession planning, labour relation has become very important for the development of organizations and economy. He said that Human Resource Management, labour laws are a part of the CS curriculum and a company Secretary can position himself as an HR expert. He gave an interesting case study analysis of Maruti Suzuki to explain the role of HR.

The topic of the third session was "Service Tax". CS Anjan Kr Roy, PCS and Past Chairman, ICSI EIRC was the chairman of the



session where he said that compliance forms the core of ethics and thereafter spoke on the evolution of service tax from its inception in the Finance Act, 1995. CA Rohit Surana, Practising Chartered Accountant, in his deliberation spoke on the aspect of reverse charge and said that corporates today are also very ignorant about this charges. He then explained the reverse charge mechanism and how it worked upon. CA Narayan Agarwal, Practising Chartered Accountant in his deliberation highlighted the basic framework of new service tax regime and also threw light on the negative list concept and some practical aspects of provision related to place of provision rule, etc.

At the Valedictory Session, CS Ashok Pareek threw light on corporate scandals like Satyam which have brought ethical behavior into the forefront. He said that expectations from CS professionals have risen and ethical behavior should be practiced both in letter and spirit. In the Interaction session with Past President of the Institute, CS B.P. Dhanuka spoke on the journey of the Institute since its inception, the situation is much better today compared to years ago and a CS professional should be ready for challenges. CS S Gangopadhyay said that as a professional one should deserve before he desires and to be a successful professional one should have respect and devotion to the profession. Sudhir Prakash, Chief Guest of the session highlighted the meaning of service or "shramdaan" as emphasized by Gandhiji and said that to be successful one should not accept things as handed over but should use rational thinking. CS S. N. Ananthasubramanian, Vice-President, the ICSI, in his address said that the theme of the conference reflects the changing times. He said that expectations from CS has grown and are required by corporate to act as Compliance officers. Today he mentioned risk of reputation has grown due to media and other factors and following ethical behavior is the way. He said that values are eternal and for every vice committed a virtue is upheld by somebody.

A cultural programme was organized on the first day of the conference where performances were given by a professional dance troupe, well known singers and by members and students of ICSI which was very well appreciated by all present. On the second day a Lucky Draw was organized for members which was appreciated by all.

Investor Awareness Programme

On 26.10.2012 the ICSI-EIRC supported by Ministry of Corporate Affairs, Government of India organised an Investor Awareness Program at Rotary Sadan, Kolkata. The speakers were CS S.M.Gupta, Past Chairman, ICSI EIRC and CS Santosh Jain.

CS Ranjeet Kanodia, Chairman, ICSI EIRC in his welcome address said that these type of programmes are being held by the ICSI and Ministry of Corporate Affairs to educate and inform the general public and to create awareness among the investors

regarding the capital market and in particular the working of the stock exchanges. He said that the main aim of this programme is to make the general public aware about instruments of Investment, information on Sensex and other Indices and trading in various financial and market instruments.

CS S.M.Gupta and CS Santosh Jain in their deliberations gave an insight on the individual investments starting from the importance of personal investments to various avenues of investments, its types, the pros and cons. They spoke on the role of SEBI, equity market, mutual funds, debentures, bonds, etc. and added that the general public before investing should keep themselves aware of the market, read documents like the prospectus of the company in which they are investing and make a good choice of a broker or a market intermediary.

Again on 13.10.2012 another investor awareness programme was held at Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, Kolkata in the evening.

The speaker on the occasion was CS K. Ananda Rao, Official Liquidator, High Court.

CS Ranjeet Kr Kanodia, Chairman, ICSI EIRC in his address said that the ICSI has been actively supporting the investor awareness initiatives taken by Ministry of Corporate Affairs by organizing Investor Awareness Programmes in various parts of our nation. He also spoke on the investment avenues available for the general public.

CS K. Ananda Rao said that the general public before investing should keep themselves aware of the investment choices and said that these type of programmes are essential for the general public so that they can make better investment plans, etc. The speaker spoke on the importance of personal investments to various avenues of investments, its types, the pros and cons. He spoke on the role of SEBI, equity market, mutual funds, debentures, bonds, etc., each of which were viewed on the slides projected on the screen. The session was interactive. The Programme was attended by people from different walks of life comprising members and students of the Institute.

Half Day Workshop on Taxation of Private Trust & Charitable Trust

On 13.10.2012 the ICSI EIRC organized a half day Workshop on Taxation of Private Trust & Charitable Trust at The Bengal Chamber of Commerce & Industry. The guest speaker was CS P.K. Agarwal, Practising Chartered Accountant.

CS Arun Khandelia, Vice Chairman, ICSI EIRC while introducing the theme of the workshop said that in India, Private and Charitable Trusts are managing property, educational assets, royalties etc. and the taxation aspects of these bodies is an interesting topic and hoped that everybody would gain from it.



News from the Institute & Regions

CS Ranjeet Kr. Kanodia, Chairman, ICSI-EIRC, addressing the gathering, pointed out that a Private trust is created for management of property during the lifetime of settler and after the death of trust creator, for the benefit of old parents and minor children of settler and for the distributing property amongst successor.

CS P.K. Agarwal, Guest Speaker explained the meaning of private trust, taxation aspects of private trust and said that a trust is said to be an instrument of safeguarding the interests of beneficiaries especially when the beneficiaries are minor and not capable of protecting their interest. So a trust is a transfer of property of a person to another with the intention that it is administered for the benefit of the owner and/or other. He also discussed the detailed provisions regarding charitable trust and replied the queries raised by the participants and highlighted that the income tax act grant exemption to the income from property held under trust or any other legal obligation for religious or charitable purposes, subject to fulfillment of certain condition laid down under the Income tax Act. The object is to encourage philanthropy in reliving distress and in helping to meet in economic, social, cultural and religious need of the society.

ICSI Convocation

On 9.11.2012 the First Convocation of The ICSI was held at The Spring Club, Kolkata. The Chief Guest on the occasion was Dr Samir Kumar Bandyopadhyay, Vice- Chancellor, West Bengal University of Technology. CS N.K.Jain, Secretary & CEO, the ICSI declared the convocation open. CS Ashok Pareek, in his welcome address said that education has created unprecedented opportunities. He said that enterprise and energy are driving our economy and as professionals we should be ready to face the challenges because the world is in our hands. He said learning is a continuous process and to be a successful professional one needs to update himself with the goings on in the professional world. CS Nesar Ahmad, President, the ICSI in his address to the new members present said that this convocation is a major milestone in their career. The membership of the Institute is a coveted one as the profession is growing. He said that the students who would be conferred their membership certificates had received this honour of being a member by hard work and dedication and should be proud of their achievement and this honour. He echoed on the phrase that learning is a continuous activity and emphasized on the many new initiatives of learning taken by the Institute. He then spoke on the mission and vision of ICSI and how the new members can uphold this mission and vision in their professional lives.

Dr Samir Kumar Bandyopadhyay in his address said that a Company Secretary is an important professional in the organization and appreciated Institute's initiative in organising this convocation. He said that a professional should strive for

excellence and should only settle for the best. He then said that our country is going through an interesting transformation and as professionals dealing with corporates each and every member should add to the growth of the country.

CS N.K. Jain then administered the oath to the new members and Dr. Samir Kumar Bandyopadhyay conferred the membership certificates to the new members. CS (Dr.) Navrang Saini presented the awards and certificates to the meritorious students of the CS examinations.

CS N.K. Jain in his concluding speech spoke about the milestones of the Institute in the past years like the first ICSI convention, the first programme conducted by the Institute and said that on this very day another milestone in the Institute's history has been created, the very first convocation. He said that we are in a very interesting phase where the perception of businesses towards CS is changing. He said that today the profession has come a long way since its inception. He then thanked everybody for their contribution for making the Convocation a success and wished the new members good luck for the start of their professional career. The Convocation ended with the rendition of the National Anthem.

BHUBANESWAR CHAPTER

Investor Awareness Programme

On 19.10.2012, Bhubaneswar Chapter of EIRC of the ICSI organized an Investor Awareness Programme at Bhubaneswar and on 5.11.2012 another programmes was organized at Bhadrak, Odisha. Again on 11.11.2012 two more programmes were conducted at Khurdha & Puri, Odisha. The programmes were organised under the aegis of IEPF, MCA, Govt. of India. The Registrar of Companies, MCA, Odisha and the Regional Director (E), MCA co-ordinated the above programmes. Investors/general public, school/college teachers, housewives, advocates, members of the Institute and students attended these programmes. To make aware about the benefit and objective of these programmes amongst the people, print & electronic media at Bhadrak, Bhubaneswar, Khurdha & Puri were invited for coverage of the programme. Reports of the programmes were published in regional newspapers and also telecast in local TV channels. A.K. Pani, IAS, District Collector, Bhadrak addressed the programme at Bhadrak on 5.11.2012. S.K. Panigrahi, Jt. Commissioner, Department of Transport, Odisha was the Chief Guest at Bhubaneswar on 19.10.2012. Dr. S.K. Mishra, Professor & Head, Koustuv Business School, Bhubaneswar was also one of the speakers at Bhubaneswar. Members of the Rotary Club of Bhadrak, CS J.B. Das, Chairman, CS A. Acharya, Vice Chairman, CS D. Mohapatra, Secretary, CS P. Nayak, Treasurer of the Chapter, other Members of the Managing Committee, CS D.S. Mishra, Practising Company Secretary, CS Amar Nayak and Prashant Sahoo, Qualified Company Secretary and U.C. Mishra, Office-



in-Charge of the Chapter contributed a lot for success of the above programmes.

Image Building

On 5.11.2012, Bhubaneswar Chapter arranged a meeting with Akshaya Kumar Pani, IAS, District Collector, Bhadrak, Odisha. CS J.B. Das, Chairman of the Chapter met the district collector and apprised him about the ICSI and career prospects of a Company Secretary both in practice as well in employment. The collector was also apprised about the course content and the present students strength of the Chapter. An ICSI kit was presented to the collector by the Chairman to know more about the Institute. The Collector was assured to provide all possible support to the Institute.

Evening Talk

On 17.11.2012, Bhubaneswar Chapter organized an evening talk on 'Competition Commission of India'. G.R. Bhatia, Former Additional Director General, Competition Commission of India was the Chief Guest of the programme who addressed on 'Modernized competition regime in India' and 'Understanding and complying Indian Competition Act, 2002' through power point presentation. At the end of the programme there was a question hour session wherein members and students of the Chapter raised several queries on the topic which were ably replied by G.R.Bhatia. There was good feedback of the programme and the participants desired that more such programmes be held again like a half day programme. CS J.B. Das, Chapter Chairman presided over the programme.

Career Awareness Programme

Bhubaneswar Chapter organized Twelve Career awareness programmes at the following Schools/Colleges of Bargarh & Bhadrak district of Odisha as per the details given below: On 12.11.2012 at Barpali College, Satalama College, and Gadman College, Dist.: Bargarh. On 20.11.2012 at Saraladevi Mahavidyalaya, Sahid Smruti Jr. College, Radhakanta Behera Junior College, and at Salandi Junior College, Dist Bargarh. On 21.11.2012 at Charampa College, Charampa, Akhandalamani College and IGM College of Science & Technology, Bhadrak. On 22.11.2012 at Salandi Degree College and Bhadrak Autonomous College, Bhadrak. While H.K. Swain, Principal Salandi Degree & Junior College, Prof. G.S. Ray, Principal, Bhadrak Autonomous College, N.C. Mishra, Principal, Sarala Mahavidyalaya, U.K. Mallick, Sahid Smruti Jr. Mahavidyalaya, R.N. Pati, Principal, Radhakanta Behera Junior College, Hari Hara Rout, Principal, Akhandalamani College, R.K. Naik, Principal, IGM college of Science & Technology and Prof. R.C. Parida, Principal, Charampa College actively participated and addressed the students at their respective institutions, CS Subrat Pradhan, Company Secretary, CS S.N. Mallick, Practising Company Secretary and CS Amar Kumar Nayak, Company Secretary addressed and explained about the role and career of a company secretary and its bright future. They

also elaborated the course contents, examination pattern, fee structure, coaching, library and other training facilities of the ICSI. Further HODs & other lecturers of the college also attended the programmes. CS brochures, posters were distributed amongst the students. Teacher's kits were also presented to the colleges. U.C. Mishra, Office-in-charge of the Chapter also provided administrative and logistic support for success of the above programmes.

Faculty Meeting-cum-Interactive session

On 20 and 21.11.2012 the Bhubaneswar Chapter organized 9 interactive session-cum-faculty meeting of the Schools/Colleges of Sonepur and Bolangir Districts of Odisha. The meetings were organized at (1) Jawahar College (2) Patnagarh Mahila Mahavidyalaya (3) Loisingha Junior College (4) Loisingha Degree College (5) Dunguripalli College (6) Sonepur College (7) Sonepur Women's College (8) Tarava AES College and (9) Rotla College. Principals and HOD of various departments of the Institutions actively participated in such meeting. The purpose of the meeting was to make them aware about the career prospects of a Company Secretary and opportunities available to the profession. It was assured that they will organize Career Awareness Programmes shortly in their respective colleges for betterment of their students. Leaflets, poster and brochures were distributed at the meeting. CS Sushil Kumar Hota, ICSI Counsellor and Practising Company Secretary, Bolangir attended the meetings at all the above Institutions on behalf of the Chapter. Bhubaneswar Chapter co-ordinated and provided all support to such activities.

HOOGLY CHAPTER

Investor Awareness Programme

On 7.10.2012 the Hooghly Chapter of EIRC of the ICSI in collaboration with Ministry of Corporate Affairs, Govt. of India organized an Investor Awareness Programme at Howrah. CS Santosh Jain and CS Ashok Purohit deliberated on Demat Account and issue of IPO in stock market in detail with the delegates. CS Gautam Dugar stressed on taking the informed decisions while making investments in stock market.

Again on 4.11.2012 another Investor Awareness Programme was held at Chapter Office, Rishra. CS Gautam Dugar, Chapter Chairman discussed opening of DEMAT account. CS Rakesh Ghorawat, Chapter Vice Chairman discussed the rights of investors.

Half Day Workshop

On 4.11.2012 the Hooghly Chapter of EIRC of the ICSI organized a Half Day Workshop on Service Tax and TDS (Tax Deducted at Source) at Hooghly Chapter Conference Hall, Rishra. In the First Session, CA Vikash Dhanania, Service Tax



News from the Institute & Regions

Consultant said that Service Tax is administered by the Central Excise & Service tax Commissionerates and the Service Tax Commissionerates working under the Central Board of Excise & Customs, Department of Revenue, Ministry of Finance, Government of India. LTUs are also collecting Service Tax in respect of the Large Tax Paying units registered with them. He further said that the unique feature of Service Tax is reliance on collection of tax, primarily through voluntary compliance. In the Second Session, CS Arun Singhania, FCS and Company Secretary, M/s Orient Beverages Limited deliberated on TDS i.e. Tax Deducted at Source. He said that provisions of Income Tax relating to Tax Deduction at Source from salaries are of immense importance in the context of present scenario when TDS collections account for almost 30% of total collection of Direct Taxes.

CS Manisha Saraf, Secretary, Hooghly Chapter coordinated the programme. Around seventy delegates were present at the programme.

Northern India Regional Council

Vaishali Study Circle Meeting on Latest Developments in Service Tax

On 13.10.2012 at the Vaishali Study Circle Meeting on Latest Developments in Service Tax CMA Upendra Tiwari was the speaker.

Corporate Governance A Long Term Consciousness Perspective & Revised Schedule VI and XBRL

On 17.10.2012 at a programme organized by the Regional Council on Corporate Governance A Long Term Consciousness Perspective & Revised Schedule VI and XBRL Dr. M Veerappa Moily (Union Minister for Corporate Affairs & Power) Was the Chief Guest. The programme was presided over by Dr. K Rahman Khan (Former Dy. Chairman Rajya Sabha); Guests of Honour CS Nesar Ahmad, President, the ICSI and Pradeep Narang, Chairman, Sri Aurobindo Society & SAFIM). M M Chitale, Member, SAFIM Advisory Board, Chairman NACAS & Past President, ICAI; Satya Poddar of Earnest & Young; T N Manoharan, Past President, ICAI, CS N K Jain, Secretary & CEO, ICSI, Prithvi Haldea, CMD, Prime Database, Sandip Khetan, Director, KPMG, Dr. Sanjeev Singhal, Vice-President - Finance, Jubilant Life Sciences Limited and Kamal Garg, Kamal Garg & Associates were the speakers.

East Zone Study Circle Meeting on Service Tax

On 20.10.2012 at the East Zone Study Circle Meeting on Service Tax Yogesh Gupta of KPMG was the speaker.

Meeting of Company Secretaries in Practice on Secretarial Audit

On 22.10.2012 at a Meeting of Company Secretaries in Practice on Secretarial Audit CS (Dr.) S Chandrasekharan was the speaker.

Study Circle Meeting on Labour Law Compliance Management

On 26.10.2012 at the Study Circle Meeting on Labour Law Compliance Management CS Sameet Gambhir was the speaker.

West Zone Study Circle Meeting on External Commercial Borrowings

On 27.10.2012 at the West Zone Study Circle Meeting on External Commercial Borrowings Manish Tyagi of Deloitte Touche Tohmatsu India Pvt. Ltd. was the speaker.

North Zone Study Group Meeting on Nitty-Gritty of Joint Venture & Collaboration Agreement

On 28.10.2012 at the North Zone Study Group Meeting on Nitty-Gritty of Joint Venture & Collaboration Agreement CS Atul Mittal was the speaker.

Valedictory Function of 168th Management Skills Orientation Programme

On 27.10.2012 at the Valedictory Function of 168th Management Skills Orientation Programme the Chief Guest was Deepak Dhanak, Vice President & Global Head, Tax, EXL Service Pvt. Ltd.

CHANDIGARH CHAPTER

29th Management Skills Orientation Programme (MSOP)

On 14.10.2012 the valedictory function of the 29th Management Skills Orientation Programme (MSOP) organised by the chapter was held at Chandigarh. Samir Kumar, IAS, Secretary Home, Government of Punjab was the Chief Guest on the occasion. Dr. N.K.Sahni, Co-ordinator of the MSOP informed that during the 15 days training programme, the students are groomed in various practical areas of the profession enhancing their knowledge and are also advised on developing their future



career. CS Mukesh Sharma, Chapter Chairman elaborated the importance of the training and explained that MSOP is the last programme in the transition stage of becoming a professional and now the students are open to the wide areas of practice or employment.

Samir Kumar, IAS, Chief Guest, congratulated the participants for passing their examinations and said that hard work is the key for success and further advised them to remain honest to the work and the profession. He also distributed the training completion certificates to all the eligible candidates and wished them for their bright career. The valedictory function was also attended by a large number of Faculty Members. Yogesh Sharma was adjudged as the best participant of the MSOP. The programme was conducted by CS G.S.Sarin, Chapter Secretary who also offered best wishes to the participants.

Investor Awareness Programme on New Trends and Products in Capital Market

On 10.10.2012 the Chandigarh Chapter of NIRC of The ICSI organized Investor Awareness Programme on New Trends And Products In Capital Market at Chandigarh. Mukesh Sharma, Chapter Chairman introduced the topic. Chief Guest on the occasion was Dr. Raj Singh, RoC, Punjab, Himachal Pradesh and Chandigarh and the key speaker was G.S.Chawla, Director, Master Trust Limited. Mukesh Sharma while introducing the topic informed that these Investor Awareness Programmes being initiated by Ministry of Corporate Affairs are for the benefit Investors and the Public at large to know various investment opportunities and risk in the stock market.

The Chief Guest, Dr. Raj Singh highlighted that most of the Programmes are being organized by the ICSI and that the Ministry of Corporate Affairs has set up the Investor Education and Protection fund established under the Companies 1956 for promotion of investors awareness and protection of interest of the investors. He also said that the Ministry also provides an efficient and protective grievance redressal framework to address and resolve the grievances of investors. Dr.Raj Singh also discussed the importance of educating investors who at times lack guidance as how to invest.

G.S.Chawla, highlighted what should be the investment objectives? He gave certain tips to the investors before making investments in various schemes. He narrated the efforts taken by the Securities and Exchange Board of India (SEBI), the regulator of securities market creating awareness amongst investors about the market and the market sentiments. He listed out various types of instruments existing in securities market and how one has to be careful while taking decision. This Investor Awareness Programme was attended by a large number of investors, Company Secretaries.

Career Awareness Programmes

On 12.10.2012 the Chandigarh Chapter of NIRC of The ICSI

organized a Career Career Awareness programme at SD Public School, Sector-32C, Chandigarh for the students of +2(plus two) of commerce stream. Prof. Ajay Sharma, Co-opted Member of the Chapter along with Dr.N.K.Sahni, Programme Co-ordinator of MSOP/EDP/SIP of the Chapter highlighted the future prospects of the profession. During their address the students were informed about the mode of registration in the course, fee structure, eligibility criteria for admission and the employment avenues of the profession. The brochures, pamphlets explaining Company Secretaries Course were also distributed to the students. More than 200 students along with the staff of the School participated in the programme. The questions raised by the students were replied by Prof. Ajay Sharma. Dr.N.K.Sahni and staff of the Chapter. The response of the students to look for this profession was quite positive.

GURGAON CHAPTER

Valedictory Session of 9th Management Skills Orientation Programme [MSOP]

On 26.10.2012 the Gurgaon Chapter organized valedictory session of 9th MSOP. CS Punit Handa, Chairman, Gurgaon Chapter in his address said that CS is an indispensable part of modern corporate environment whose value is increasing day by day. He congratulated them for successfully completing 15 days of training. CS Rajiv Bajaj, Chairman NIRC and Director & CFO, Panasonic AVC who was the Chief Guest on the occasion spoke on Vision, mission, goals, code of conduct for professionals of ICSI and congratulated the Chapter for bringing up high calibre professionals into the corporate world. He also requested the CS professionals to contribute actively for CSBF. He said that a CS should act as a change agent in corporate and should have a clear focus on his career to achieve great heights.

CS Dhananjay Shukla who was Guest of Honor congratulated the professionals on completion of the training and requested them to keep up the value of CS profession. He spoke about the MSOP as a part of decision making, skill development in the course and requested professionals to serve with quality. The dignitaries present also distributed the MSOP certificates to the participants and the Best Participant category award given to Amit Kumar, Abhijeet Nagee and Geetika Mehta, Best speaker award given to Abhishek Srivastava and Shikha Maken. The award for Best Project Report was given to Consumer Protection and Best Presenter Group given to Working Capital Management.

Investor Awareness Programme

On 3.11.2012 an Investor Awareness Programme was organized by Gurgaon Chapter at the auditorium of Govt. Sr.



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Sec. School, Distt. Jhajjar. The same was covered extensively in local newspapers like Dainik Bhaskar, Dainik Jagran, Punjab Keshri, Amar Ujala, Hari Bhumi etc. Rachna Gupta, Chief Judicial Magistrate, Jhajjar graced the occasion as Chief Guest. She apprised the ICSI for conducting such an informative programme for financial education of the general public. The programme was organized under the aegis of Investor Education and Protection Fund of Ministry of Corporate Affairs. Animesh Srivastava, Executive Officer, Gurgaon Chapter briefly informed the audience about functions of the Institute, CS course and other details. CS Suresh Saini, Manager-Legal at Nutek Auto and resource person for the programme informed in detail the investors about savings and investment in the market. He also cautioned them about the shortcomings while making financial transactions in the markets and various related information. The investors asked various queries related to investments in markets which were replied satisfactorily. An informative material in Hindi language was also distributed to the investors. The programme was attended by a large number of general public, school staff and students of 12th standard.

Deepawali Get Together

On 18.11.2012 the Chapter in association with NIRC of the ICSI organized a family get together and 'Deepawali Sneh Milan' for ICSI members at Kingdom of Dreams, Gurgaon. The get together was filled with fun and joy. The members and their families watched the theatrical performance Zangoora Show and enjoyed food in the Cultural Gali. A large number of Members and their families participated in the get together.

Southern India Regional Council

Study Circle Meeting on Drafting of Lease Deed

On 26.10.2012 at the Study Circle Meeting on Drafting of Lease Deed CS T A Srinivasen, Head, Corporate Legal, Dalmia Cement [Bharat] Limited, Chennai was the speaker. Srinivasen explained that, according to Section 105 of the Transfer of Property Act, 1882, a Lease of Immovable Property is the transfer of right to enjoy property and it is the method of acquiring the right to use equipment or real property for consideration. Srinivasen explained in detail the check list for drafting the lease deed. While speaking on the title check list, the speaker urged to ensure that Lessor is the rightful owner and has the right, title and interest in the Property. He also insisted to check if the ownership by the Lessor of the Plot is free from all encumbrances, mortgages or lien or Court Decree.

Srinivasen urged the members to check whether there exists any mortgage registered on the property and whether there is any requirement to pay the rentals to any bank / financial institutions. It is also advisable to cause a search report with the Registrar of Companies to find Equitable Mortgage if the Lessor is a Company. He further pointed out that if the Lessee is investing heavily on the interiors and other amenities then it would be good to reserve the right of termination only to the Lessee and the Right of Termination will be to the Lessor only when there is default in payment of Lease Rentals of three months or more by the Lessee. The members actively interacted with the speaker.

BANGALORE CHAPTER

Bannerghatta Study Circle on Bettering the Best

On 4.10.2012 the Bannerghatta Study Circle of Bangalore Chapter of SIRC of the ICSI organised a study circle meeting on "Bettering the Best" at GMR Group, IBC Knowledge Park, Bangalore. Arjun Raj Urs, Leadership Coach & People Architect, Bangalore was the speaker who in his presentation on concentrated on basic aspects of fine tuning the individual behaviour and developing as a professional. He also brought up various aspects of behavioural skills to upgrade oneself as a professional. The meeting was well attended by 44 members.

Study Circle Meeting on Practical Issues Relating to Appointment, Reappointment and Change of Auditors under the Companies Act, 1956

On 12.10.2012 the Bangalore Chapter of the ICSI organised a Study Circle Meeting on Practical issues relating to Appointment, Reappointment and Change of Auditors under the Companies Act, 1956 at the Chapter premises. CS S. Kailasam, Financial Controller & Company Secretary, Unisys India Pvt. Ltd., Bangalore was the Guest Speaker who in his presentation touched upon the critical issues relating to appointment, re-appointment of Auditors. He emphasised that changing the Auditor also poses several legal and procedural issues for a company and further dealt on the basic aspects like Who should appoint an Auditor, How long can an Auditor be the Statutory Auditor of the Company, requirement of peer review certification in case of a listed company. The meeting was well attended by around 33 members.

Blood Donation Camp

On 20.10.2012 for the first time in the history of the Bangalore Chapter a Blood Donation Camp in association with the Lions Club Bangalore was organised at the Institution of Agricultural Technologists, Bangalore. Around 24 Members and students



donated blood on the occasion. A Certificate of Appreciation was issued to all the donors from Lions Club of Bangalore for being part of a noble cause of donating blood and saving lives.

HYDERABAD CHAPTER

Interactive talk on Recent MCA Updates, Revised forms, Delegation of Powers to RD

On 10.10.2012 the Chapter organized an Interactive talk jointly with Institute of Cost Accountants of India and Institute of Chartered Accountants of India at FAPCCI Premises. CS Shujath Bin Ali, Chairman of Hyderabad Chapter of the ICSI in his welcome address spoke on the Companies Bill, New form 23AC, 23 ACA and the amendments.

Mahesh Kuwadia, Regional Director, South East, Ministry of Corporate Affairs was the Chief Guest. He spoke on the MCA updates, revised forms, revised Schedule VI, accounting standards. He advised the stake holders to visit the MCA website regularly for the updates.

N. Krishnamoorthy, Registrar of Companies, Andhra Pradesh was the Guest of Honour. He delivered the speech on the latest MCA updates, transparency, competency, Good Governance, Professional ethics, etc.

CMA KK Rao, Chairman, Hyderabad Chapter of Cost Accountants in his address talked about cost audit, maintenance of cost audit and recent changes in Form 23 AC, etc.

CA Thirupathiah, Vice Chairman of Hyderabad Branch of Chartered Accountants also shared his knowledge on the very occasion. The active participation of the members made the evening lively.

Health & Fitness Series

On 20.10.2012 the Chapter organized Health & Fitness Series - Relevance and prevalence of Fitness - For today's professionals at the Chapter premises. CS Shujath Bin Ali, Chapter Chairman in his welcome address shared his views on the importance of health and fitness for professionals. CS KVS Subrahmany, Director, B5 Consulting Pvt. Ltd and Mohammed Azharuddin, Fitness Specialist, Team Principal, GETFIT Eco and Health Zone were the speakers for the very evening. CS KVS Subrahmany spoke on the Physical Activity required to be done for at least thrice a week and stressed on the lifestyle to be maintained so as to live with good health simultaneously with the uncertain and upcoming challenges faced by the professionals. He shared the secrets of losing weight, priority of GYM, dieting and intake of healthy food etc. He discussed his personal experience of maintaining physical appearance and his diet. Mohammed Azharuddin in his address shared his definition of

health, the health triangle, the basis for a healthy lifestyle, What is Wellness, What is Fitness, Tools of Fitness, Need for Fitness, The Staircase to Lifetime Fitness, etc.

Members actively participated in the interactive session and got their doubts clarified from the speakers.

Half-day Seminar

On 31.10.2012 the Chapter organised a half-day Seminar on Foreign Direct Investment Policy in India: Changes & Current Trends at the Chapter premises. CS Shujath Bin Ali, Chapter Chairman in his welcome address spoke on the importance of FDI and its implications.

Vijay Gilda, Manager, KPMG spoke on FEMA, Statutes of FDI, An overview of FEMA, Foreign Investments Framework - Chart, FDI Scheme, Indirect FDI - Downstream investment, Some key changes, Compliance - Procedure, Chart service for DIPP website etc. Thereafter CS B. Gopichand, Company Secretary in Practice shared his experience and spoke on SME - FDI perspective, incorporation of company, registrations, investment agreements, funding, , FEMA, FDI, external debt - ECB, imports, exports, import of services, transfer of shares, outbound investments and presented a case study on FDI.

Western India Regional Council

BHOPAL CHAPTER

Career Awareness Programme

On 13.10.2012 the Bhopal Chapter of WIRC of the ICSI organized Career Awareness Programme at Gitanjali Government Girls College, Bhopal. The Programme was inaugurated by Dr. Jain, Asst. Director, School Education, Government of Madhya Pradesh. CS Amit Kumar Jain, Member-WIRC in his address informed the students about the Course Curriculum and Future prospects of the CS profession. The programme was very interactive and attended by around 700 students and staff members of the college.

PUNE CHAPTER

Participation in Pune Bus Day

On 1.11.2012 as a Green initiative, Pune Chapter of WIRC of the ICSI participated in the "Pune Bus Day" organized by Sakal Media Group. CS Nesar Ahmed, President, the ICSI joined the event for a social cause and reflecting ICSI's commitment towards Corporate Social Responsibility, also travelled in a Bus



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along with CS Umesh Ved, Central Council Member, CS Pawan Chandak, Chapter Chairman, CS Shilpa Dixit, Chapter Secretary and CS Makarand Lele, Member WIRC.

Meeting with Chairman CII, Western Region

On 2.11.2012 the first meeting was organized with Pradeep Bhargawa, Chairman of CII, Western Region. During the meeting, various issues including the topics related to the Corporate Social Responsibility were discussed. It was also discussed that the ICSI along with the CII can conduct joint programmes in near future in the form of conferences or conclaves. A proposal was discussed that the first such kind of a programme can be conducted at Pune.

CS Pawan Chandak, Chairman, CS Shilpa Dixit, Secretary, CS Makarand Lele WIRC Member along with other Managing Committee members of the Pune Chapter were present at the meeting.

Meeting with the Commissioner of Agriculture, Pune

Considering the scope for expansion of CS profession a meeting was organized with Umakant Dangat, Commissioner of Agriculture, Maharashtra State, Pune.

Nesar Ahmad, President, the ICSI discussed the prospective areas of work for Company Secretaries as Professionals during his meet with the said authority. A Representation Letter covering the areas of expansion for the CS Professionals was also submitted to the said authority on behalf of the ICSI. The discussions were very fruitful and it was agreed that a delegation from the Pune Chapter can have a meeting with the said Department and can further discuss various issues in this behalf for taking the matter ahead. CS Vikas Khare, Central Council Member, CS Makarand Lele, WIRC Member CS Pawan Chandak, Chairman and CS Shilpa Dixit, Secretary of the Chapter were present for the meeting.

Meeting with the Director General, MCCIA Pune

In the afternoon, a meeting was scheduled with Anant Sardeshmukh, Director General of MCCIA Pune. During the meeting, it was agreed that both the organizations can enter into an MOU wherein joint programmes can be conducted and that ICSI can also nominate its representative.

CS Vikas Khare, Central Council Member the ICSI, CS Pawan Chandak, Chairman and CS Shilpa Dixit, Secretary of the Chapter were present for the meeting.

Press Conference at Pune

During the Day time, a Press Conference was arranged with

media persons wherein Nesar Ahmad, President, the ICSI interacted with media people informing them about CS Course, its curriculum, importance of the profession of CS in corporate world and latest happenings in the field of CS.

President also focused on the Vision 2020 document of ICSI and informed about few initiatives of ICSI such as organization of Convocation for new Members, efforts by ICSI for introduction of Pass Certificate to be issued to students qualifying the Executive level of the CS examinations so as to enable them to equip for suitable employment opportunities. On the queries received from the Press Representatives, he also expressed about the new Companies Bill. Central Council Members of the ICSI CS Vikas Khare and CS Umesh Ved along with CS Makarand Lele, Member, WIRC, CS Pawan Chandak, Chairman and CS Shilpa Dixit, Secretary of the Chapter were also present during the Press Conference.

Members Meet with the President

On 2.11.2012, a Technical Session was organized for members on "Peer review & ICSI Guidelines" which was conducted by CS Umesh Ved, Central Council Member and Chairman PCS Committee of the ICSI. He discussed at length the scope, applicability & other related aspects on Peer Review with members attending the technical session. This was followed by a session in which, CS Vijaykumar Khubchandani, RoC, Maharashtra, Pune who talked about the expectations of a Regulator from a CS Professional.

After the technical session, CS Pawan Chandak Chapter Chairman honoured CS Nesar Ahmad, President ICSI in traditional puneri style. CS Umesh Ved, Central Council Member, was also honoured.

During the programme a cheque amounting to Rs.51000/- as a voluntary contribution of Pune Chapter to Company Secretaries Benevolent Fund was presented to the President by the Pune Managing Committee Members for the year 2012.

As a part of the celebration for receiving the "Best Chapter Award in A Grade Category for the year 2011, all Managing Committee members for the year 2011, were honoured by the President. This was followed by the interaction of the President with the Members from Pune Chapter in an open forum discussion. CS Umesh Ved, & other Central/Regional Council Members/ Past Presidents of ICSI from Pune were present. The Programme concluded with rendition of the National Anthem. Around 80 members attended the programme.

Career fair

ON 25 and 26.11.2012 Pune Chapter participated in Times Education Expo 2012, Pune organized by Education Times at Hotel Sun n Sand, Pune. Around 150+ students /parents visited the stall. Brochures explaining the CS course were distributed among the students/parents who visited the ICSI stall.



ICSI - CCGRT

Three days Workshop on Risk, Regulation and Compliance (with special focus on Banking)

During the last decade rapid innovations in financial markets, globalisation & deregulation have not only changed the functioning of the banks beyond recognition but in the process banks are now exposed to various types of risks and the activities of the banks have become more complex. The ever increasing regulations, increasing complexities involved in handling financial crimes, complex products and higher geographical reaches are contributing to requirement for more effective risk management and compliance function in order to avoid actions that could lead to damaged reputation and large penalties. Compliance is one of the core areas on which banks need to and are increasing their focus on efforts to address existing and potential risks.

In order to provide the Company Secretaries and others dealing with Risk & Regulation, practical insights into Banking and equip them with the requisite mindset to discharge the Compliance function in banks, ICSI-CCGRT in collaboration with the Indian Institute of Banking and Finance (IIBF) conducted a three days workshop on Risk, Regulation and Compliance (with special focus on Banking) from 27.09.2012 to 29.09.2012 at its premises in CBD Belapur, Navi Mumbai. The programme was well attended by Senior Bankers from across the country.

The inaugural address for the workshop was delivered by Dr. R. Bhaskaran, CEO, IIBF and the key note speaker for the valedictory session was Dr. P. Balachandran, Deputy CEO, IIBF. Other facilitators for the workshop were S. Venkatesh, Joint Director (Faculty), IIBF, S. N. Sharma, Director (Training), IIBF, Edwin Fernandes, General Manager, IDBI Bank, Sukumar Dutta, Joint Director (Faculty), IIBF and Dr. T.C.G. Nambodiri, Joint Director (Faculty), IIBF.

The workshop was inaugurated by the dignitaries present on the dais.

Dr. R Bhaskaran commenced his inaugural address by explaining the theme of the workshop and the idea behind 'Compliance' in banks. He reiterated the importance of Risk Management and regulations in the banking sector by counting some live examples from the past viz. CRB Capital winding up, US sub-prime crisis etc. and explained in brief how compliance is a critical function not only in mitigating risks but also in strengthening the banks' corporate governance structure. Thus, compliance function in banks should be understood vis-à-vis risk and has to be adequately enabled and made sufficiently independent. He then gave a professional overview of the

Banking Industry by excellently bringing out the differences in the profile and pattern of business of Public Sector Banks, Old Private Sector Banks, New Private Sector Banks and Foreign Banks. In conclusion, he discussed about the 5 core drivers of the banking business namely Retail Banking, Technology, Financial Inclusion, Risk and last but not the least - Regulation and Compliance. The session was well received by the participants.

During the course of the three days workshop, the facilitators discussed elaborately various areas with respect to the risk, regulation and compliance in the banking sector, covering Integrated Risk Management - Market Risk, Operational Risk and other risks, various audits, Risk Based Supervision of Banks, Overview of compliances - statutory, regulatory, internal policies-organization and management of compliance function in banks (Operational aspects), Role of Chief Compliance Officer, Compliance Risk and Risk Mitigation process through Case Studies, Reserve Bank of India as a Regulator-Compliance, Credit Risk Management, Compliance issues under KYC and AML and Corporate Governance and Board oversight issues.

On the last day, Dr. P. Balachandran delivered the valedictory address. During his address he said that Risk Management is not a onetime exercise and that professionals should take utmost care in Risk Management and Compliance. He stressed the role of Company Secretaries in Compliance and cautioned that Compliance should not be a procedural formality. He then spoke briefly on the Governance issues involved in Risk Management. Various practical queries raised by participants were also responded by Dr. Balachandran. Towards the end, he distributed the Certificate of Participation to all the participants.

Programme on Select Practices under MCA

Filing & registration of documents is a statutory requirement under the Companies Act, 1956. The Central Government has amended the Companies General Rules & Form 1956 & notified e-forms to enable electronic filing of documents. The Companies General Rules & Forms (Amendment) Rules, 2006 provide that the forms prescribed in the Annexure of the Rules may be filed through electronic media or through any other computer readable media. MCA has cast an onerous responsibility on the practicing professionals while certifying the e-forms.

In order to acquaint the Company Secretaries with certain Select Practices & Procedures under MCA 21, ICSI-CCGRT organised a full day Programme on Select Practices Under MCA on 07.10.2012 at its premises in CBD Belapur, Navi Mumbai. The speakers for the programme were Robert Pavrey and Surendra Kanstiya, both Practicing Company Secretaries from Mumbai.



Robert Pavrey threw light on the MCA-21 portal with special focus on e-filings and also certain important points to be taken care of while filing forms electronically, by giving practical demonstration. He then discussed about the precertification of e-forms and things that the certifying professionals should cross-check while pre-certifying e-forms. In conclusion, he enlightened the participants with the procedure for obtaining digital signature.

Surendra Kanstiya spoke on the new name availability guidelines and procedures under the same by giving some practical examples and sharing his experiences on the same. He also threw light on some recent updates under MCA21 regime viz. Delegation of powers of Central Government to Regional Director under sections 17, 18, 19, 141 and 188 of the Companies Act, 1956, Filing of Cost Audit Reports and Compliance Reports in XBRL, Fees on certain forms, New LLP Portal etc. The queries raised by the participants were well addressed by the speakers.

Programme on Labour Laws and Compliances

ICSI-CCGRT conducted a full day programme on Labour Laws and Compliances on 13.10.2012 at its premises in CBD Belapur, Navi Mumbai. The speakers for the programme were Lancy D'Souza, Advocate Bombay High Court and P G Murthy, Advisor Labour/IR, Bombay Chambers of Commerce & Industry. The programme was well attended by the members and various professionals from labour law fraternity and also students of CS Course. At the outset, Lancy D'Souza explained the theme and structure of the programme to the participants. The programme inter-alia covered the compliances and penalties under various labour laws.

Murthy initiated the discussion by giving a brief introduction of Labour Laws. Labour Laws is a subject of concurrent list. Also, Article 21 of Part III of the Constitution on Fundamental Rights is infringed if there is wrongful termination or non-payment of wages. He pointed out that history shows constant existence of labour exploitation. He said that labour has to be treated as partner in the common task of development. He then discussed the framework of a labour enactment followed by the compliances and returns to be filed under the Payment of Wages Act, 1936, Payment of Gratuity Act, 1972 and Minimum Wages Act, 1948. Deliberating on the Payment of Gratuity Act, he discussed the method of computation of gratuity and the provisions relating to forfeiture of gratuity with reference to the case law: Bharat Gold Mines v. Regional Labour Commissioner. Regarding the Minimum Wages Act, he pointed out that in case of contract workers working for principal employers, the minimum wage rate, reckoned as per the work done by them, would be applicable. In this regard he quoted the Bombay High Court judgement of Indian Labour Organisation v. D H Deshmukh 1996

II CLR 630 Bom HC, Airfreight Limited Bangalore v. State of Karnataka & other case laws.

He then went on to discuss the important provisions of Maharashtra Workmen Minimum House Rent Allowance Act, 1983, Employees Provident Fund & Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948. He also gave a brief overview of all the applicable benefits to the employees under ESIC Act. In conclusion, he deliberated on the Bombay Shops & Establishments Act, 1948 and pointed out that the Act brings in applicability of Payment of Wages Act, Maternity Benefit Act, Employees Compensation Act and the Industrial Employment Standing Orders Act.

Lancy commenced his session by enumerating the compliances under the Maternity Benefit Act, 1961 and various restrictions on the employer and woman as per the said Act. He then discussed few important provisions of the Industrial Employment Standing Orders Act, 1946 viz. posting of standing orders, subsistence allowance, date of operation of standing orders etc. This was followed by a discussion on the important definitions under the Industrial Disputes Act, 1947 (viz. lay off, industrial disputes, closure, retrenchment, strike, settlements, etc.) and the Employees Compensation Act, 1923 (permanent disablement, partial disablement, etc.) and also on some of the important provisions relating to half monthly payments, payments in case of death etc.

He then discussed in brief the important provisions of the Contract Labour (Regulation & Abolition) Act, 1970 quoting the case law: Steel Authority of India Ltd v. National Union Water Front Workers & others. Towards the end, he deliberated on the provisions relating to maximum bonus, calculation of bonus and adjustment relating to bonus under the Payment of Bonus Act, 1965. He said that bonus shall be an amount in proportion to the salary or wage earned by an employee subject to a maximum of 20%. The programme was widely appreciated by the participants.

Programme on Transfer Pricing

On 14.10.2012, ICSI-CCGRT conducted a full day programme on Transfer Pricing at its premises in CBD Belapur. The speakers for the programme were Vishwanath Kane, Senior Manager, Deloitte, Haskins & Sells, Yashodhan Pradhan, Consultant, Transfer Pricing, Vispi T Patel & Associates and Vaishali Mane, Client Service Director - Transfer Pricing, Grant Thornton India LLC. The programme was widely appreciated by the participants.

Kane initiated the discussions by giving an overview of transfer pricing. He explained the need for transfer pricing in today's scenario and how transfer pricing is related to economic development followed by the role played by OECD in Transfer Pricing arena. OECD provides guiding principles in relation to the taxation of multi-national groups with operations in different tax



jurisdictions. He then discussed the regulatory framework of Transfer Pricing in India explaining the provisions relating to Transfer Pricing as prescribed in Income Tax Act, 1961 and Finance Act 2012. In this context, he also discussed the concept of Advance Pricing Agreements, the powers of Central Government & CBDT and the filing of Form 3CEB. In his concluding remarks he pointed out that Transfer Pricing, now, is not limited to large groups. Many mid-sized groups, partnership firms, HUFs and even individuals in smaller cities would now have to adhere to Transfer pricing rules. This amendment would largely increase the compliance burden for taxpayers.

Yashodhan Pradhan made a detailed presentation on the methods of computation of Arm's Length Price with the help of practical examples. He said that depending upon the facts of the case; the most appropriate method can be the traditional transactional or transactional profit method. He then discussed various factors that can be considered for choosing most appropriate method.

Vaishali Mane addressed the participants on Domestic Transfer Pricing and initiated the discussion by explaining the concept of Transfer Pricing and its evolution. She then discussed the important components of Transfer Pricing followed by the compliances required under some practical scenarios. All the queries of the participants were well addressed by the speakers.

Programme on Legal Aspects of Business

ICSI-CCGRT conducted a full day programme on Legal Aspects of Business on 19.10.2012 at its premises. The speakers for the programme were Shailashri Bhaskar, Practising Company Secretary and Former DGM SEBI, Raju Ananthanarayanan, Director - Lexpraxis Consulting Pvt. Ltd and Surendra Kanstiya, Practising Company Secretary.

Shailashri Bhaskar gave an overview of the relevant provisions of various laws for starting and running a business viz. of the Companies Act, 1956 for incorporating a company, of the Industrial Development Regulation Act and the Factories Act for any licence requirements, the validity period of such licenses & the general dos and don'ts, of the Pollution Control laws and of the Intellectual property laws like Patents, Trademarks and Copyrights. She also covered the relevant provisions as regards fund raising activities abroad i.e. issue of Depository Receipts and FCCBs and even made a passing reference to Listing Agreement and compliance thereof. Ananthanarayanan discussed the provisions relating to Negotiable Instruments Act, 1881 and vetting & enforcement of contracts including shareholders' agreements. He quoted and explained the recent case laws relating to Negotiable Instruments Act, 1881 and also discussed the role of directors in the context of Negotiable Instruments Act. Surendra Kanstiya explained the recent

amendments under the Competition Act, 2005. He also discussed the expanding role of Competition Commission of India. In the wake of the budding amendment, Kanstiya explained why Mergers and Amalgamations are required to be subjected to review by Competition Commission of India. All the queries of the participants were well addressed by the speakers and the programme was well received by the participants.

Programme on Revised Schedule VI

Regulatory updates are like antidotes for corporate diseases and illness and sometimes essential for maintaining good corporate health. As an effort to bring in more transparency and effective reporting mechanisms of financial health of the corporates, Revised Schedule VI has been introduced.

In light of the above and to update the Company Secretaries and other professionals on the above, ICSI-Centre for Corporate Governance, Research & Training (CCGRT) conducted a full day programme on Revised Schedule VI on 20.10.2012 at ICSI-CCGRT, Belapur, Navi Mumbai. P R Barpande, Former Partner - Deloitte, Haskins & Sells inaugurated the programme and had an interactive session with the participants. He clearly pointed out the difference between old Revised Schedule VI and the new one. He also discussed in detail the pros and cons of the Revised Schedule VI and the issues faced in its practical implementation. The second speaker Arvind A Rao, Chief Planner of Dreamz Infinite Financial Planners threw some light on the need to revise Schedule VI. He also enlightened the participants with the new features and minimal disclosure requirements under the Revised Schedule VI. In conclusion, he explained how to prepare Balance Sheet as per Revised Schedule VI by giving practical illustrations.

The programme was well received by the participants.

Knowledge Upgrading Program on Understanding FEMA

On 21.10.2012, ICSI-CCGRT conducted a Knowledge Upgrading Programme on Understanding FEMA (Foreign Exchange Management Act) at its premises in CBD Belapur, Navi Mumbai. Speakers for the programme were Arvind Salvi, Former DGM, RBI, who gave an overview of the regulatory framework of FEMA & covered the regulations relating to Capital and Current Accounts Transactions, Remittances, Foreign Direct Investments, Compounding of contraventions; and G V Srinivasa Murthy, Member, ICSI-CCGRT Management Committee, who discussed in detail regulations relating to External Commercial Borrowings, Setting up of JV/WOS abroad and also setting up of branch offices in India. The speakers also threw light on the salient changes/amendments in all the above till date after the issue of Master Circular by RBI in July 2012. The programme was well attended and quite interactive.



CHARTERED SECRETARY

Advertisement Tariff

(With Effect from 1st April 2012)

BACK COVER (COLOURED)			COVER II/III (COLOURED)		
Non - Appointment			Non - Appointment		
Per Insertion		₹ 75,000	Per Insertion		₹ 50,000
4 Insertions		₹ 2,70,000	4 Insertions		₹ 1,80,000
6 Insertions		₹ 3,96,000	6 Insertions		₹ 2,64,000
12 Insertions		₹ 7,65,000	12 Insertions		₹ 5,10,000

FULL PAGE (COLOURED)			HALF PAGE (COLOURED)		
Non-Appointment	Appointment		Non-Appointment	Appointment	
Per Insertion	₹ 40,000	₹ 10,000	Per Insertion	₹ 20,000	₹ 5,000
4 Insertions	₹ 1,44,000	₹ 36,000	4 Insertions	₹ 72,000	₹ 18,000
6 Insertions	₹ 2,11,200	₹ 52,800	6 Insertions	₹ 1,05,600	₹ 26,400
12 Insertions	₹ 4,08,000	₹ 1,02,000	12 Insertions	₹ 2,04,000	₹ 51,000

PANEL (QTR PAGE) (COLOURED)			EXTRA BOX NO. CHARGES	
Per Insertion	₹ 10,000	₹ 3,000	For 'Situation Wanted' ads.	₹ 50
(Subject to availability of space)			For Others	₹ 100

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For further information write to:
The Editor,
"CHARTERED SECRETARY",



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(Joint Participation by EIRC, NIRC, SIRC and WIRC)

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(Host: Jalandhar Chapter of NIRC)

Theme: EMPOWERING SME'S & GOING BEYOND

Day, Date & Time: Saturday, December 15, 2012 - 11.00 A.M. to 7.00 P.M.

Venue :Hotel Ramada City Centre, Namdev Chowk, Jalandhar(Punjab)

Program Credit Hours For Members : 04

PDP Hours For Students : 08

Registration Fee :(Non residential) inclusive of Service Tax

DELEGATE	Registration Fee per person	Early Bird upto Dec.5, 2012
Members and Participants	1900/-	Rs. 200/-
(Non Residential)	1500/- (Without Cultural Eve/ Dinner)	Rs. 100/-
Students (Non Residential)	1200/- Without Cultural Eve/ Dinner)	Rs. 100/-
Spouse	Rs. 1500/- and Rs. 1100/- (without Cultural Eve/dinner)	
FREE for Corporate Members of EIRC, NIRC, SIRC & WIRC (Self Only).		

Application for registration may be sent along with local Cheque/Demand Draft favouring 'NIRC of ICSI' payable at New Delhi OR Jalandhar Chapter of NIRC of ICSI payable at Jalandhar at the addresses given below :

Deputy Director

NIRC of ICSI, ICSI-NIRC Building, Plot No. 4, Prasad Nagar
Institutional Area, New Delhi-110005
Ph (011) : 49343000 E-mail : niro@icsi.edu

The Chairman

Jalandhar Chapter of NIRC of ICSI
'Raj Chambers', Hind Samachar Street, Jalandhar-144 001
Phone : (0181-2280315) E-mail: jal.chapter@gmail.com;
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Sunday, December 16, 2012

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For further details members may contact :

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csankitgandhi@gmail.com
M-98881-13713

CS Anil Vinayak
Chairman External Relations Committee
vakil.cs@gmail.com
M-9814296497



Our Members

CONGRATULATIONS

SHRI R. RAVI, FCS

Past President, The ICSI and Managing Director, Cameo Corporate Services Limited (CAMEO) on his being appointed as one of the directors of Cameo Techedge Services Ltd., Uganda and also for his being elected as Vice Chairman of Registrars Association of India (RAIN).

DR. S. KUMAR, FCS

Former Principal Director, The ICSI on his being conferred the Degree of Doctor of Philosophy in Commerce by Chaudhary Charan Singh University, Meerut for his thesis on Corporate Governance Practices in India and its Impact on the Shareholders and Stakeholders of the Company (A Comparative Study of Selected Public and Private Sector Companies).

SHRI OMKAR NIRGUDKAR, ACS

an employee of HPCL, Mumbai on his being selected for National Awards for the Empowerment of Persons with Disabilities, 2012 under the category Best Employees/Self Employed with Disabilities. The award is given by the Ministry of Social Justice and Empowerment of the Government of India.

SHRI TARUR KUMAR JAIN, FCS

on his being appointed as the Director & Central Council Member of the Institute of Investment and Securities Analysts of India.

SHRI VIRAJ KULKARNI, FCS

Head Securities Services, India, BNP Paribas Securities Services, on his being awarded the Global Custodian Awards for Excellence Asia 2012 for services to the securities services industry in India.

CS QUIZ

Prize query

An industrial company P owned a number of undertakings. It transferred one of the undertakings owned by it to another industrial company X. Bulk of the workers of the undertaking sold continued to work in the undertaking under the new management. The rest of the workers demanded VRS from P. P denied VRS to those workmen as the same had already expired. On appeal the High Court rejected the appeal but ordered payment of retrenchment compensation to the workers. Does this order is in consonance with the legal provisions in this regard ?

Conditions

- 1] Answers should not exceed one typed page in double space.
- 2] Last date for receipt of answer is 20th December, 2012.
- 3] Two best answers will be awarded Rs. 1000 each in cash and the names of the contributors will be published in the journal.
- 4] The envelope should be superscribed '**Prize Query December, 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.

Amendments in the Work Distribution of CLB Benches

[Issued by the Company law Board vide File No. 10/43/2005 - CLB, order dated 30.10.2012]

In exercise of the powers conferred by Sub-Section 4(B) of Section 10(E) of the Companies Act, 1956 (1 of 1956) read with Regulation 4 of the Company Law Board Regulations, 1991, the Chairman Company Law Board, hereby, in partial modification of the order of the even number dated 06.09.2012*, makes the following amendments in the work distribution of the Benches for the purpose of exercising and discharging the Board's powers and functions in the manner specified below:-

"(1) In para (c) of the order dated 06.09.2012,-

- (a) In sub para (1), the figure "247" shall be omitted;
- (b) In sub paras (2) and (4), the figure "247" shall be inserted after the figures "237B";
- (c) In sub para (5), the figure "247" shall be omitted;
- (d) In sub paras (6) and (8), the figure "247" shall be inserted after the figures "237B";
- (e) In sub para (9), the figure "247" shall be omitted".

2. This Order shall come into force with immediate effect.

P.K. Malhotra
Company Law Board

* Published in October 2012 issue of Chartered Secretary on page 1302 Item No. 6.

OBITUARIES

"Chartered Secretary" deeply regrets to record the sad demise of the following members:

SHRI GOPAL PRASAD BANSAL, FCS

(03.05.1953 - 22.09.2012), a Fellow Member of the Institute from New Delhi.

SHRI JOGINDER KUMAR AGGARWAL, FCS

(11.05.1942 - 06.10.2012), a Fellow Member of the Institute from Chandigarh.

SHRI NALIN N. SHAH, FCS

(27.08.1947 - 11.11.2012), a Fellow Member of the Institute from Mumbai.

SHRI PRAMOD N. SHARMA, FCS

(22.09.1961 - 20.10.2012), a Fellow Member of the Institute from Gurgaon.

SHRI R. C. GUPTA, ACS

(20.11.1953 - 24.10.2012), an Associate Member of the Institute from Delhi.

SHRI SATISH KUMAR RASTOGI, FCS

(09.12.1939 - 01.10.2012), a Fellow Member of the Institute from Kanpur.

SHRI V. S. KRISHNA MOORTHY, ACS

(15.07.1945 - 23.11.2012), an Associate Member of the Institute from Madurai.

SHRI V. SITHAPATHY, FCS

(03.06.1955 - 18.11.2012), a Fellow Member of the Institute from Navi Mumbai.

May the almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

May the Departed Souls rest in peace.



COMPANY SECRETARIES

EXAMINATIONS - DECEMBER, 2012

TIME-TABLE & PROGRAMME

Date and Day	MORNING SESSION (9:00 AM TO 12:00 NOON)		AFTERNOON SESSION (1:30 PM TO 4:30 PM)
	FOUNDATION PROGRAMME (OLD SYLLABUS)	PROFESSIONAL PROGRAMME	EXECUTIVE PROGRAMME
26/12/2012 Wednesday	English and Business Communication	Company Secretarial Practice (MODULE-I)	General and Commercial Laws (MODULE-I)
27/12/2012 Thursday	Economics and Statistics	Drafting, Appearances and Pleadings (MODULE-I)	Company Accounts, Cost and Management Accounting (MODULE-I)
28/12/2012 Friday	Financial Accounting	Financial, Treasury and Forex Management (MODULE-II)	Tax Laws (MODULE-I)
29/12/2012 Saturday	Elements of Business Laws and Management	Corporate Restructuring and Insolvency (MODULE-II)	Company Law (MODULE III)
30/12/2012 Sunday		Strategic Management, Alliances and International Trade (MODULE-III)	Economic and Labour Laws (MODULE-II)
31/12/2012 Monday		Advanced Tax Laws and Practice (MODULE-III)	Securities Laws and Compliances (MODULE-II)
1/1/2013 Tuesday		Due Diligence and Corporate Compliance Management (MODULE-IV)	
2/1/2013 Wednesday		Governance, Business Ethics and Sustainability (MODULE-IV)	

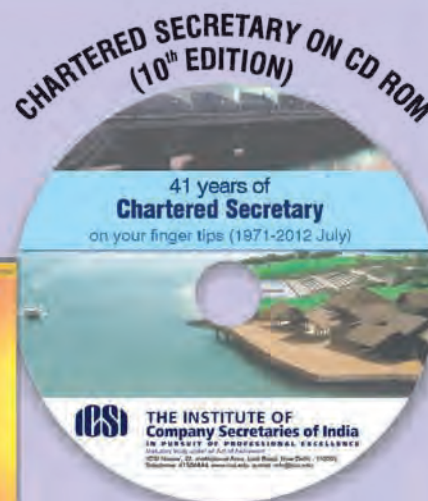


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