Northern India Regional Council of The Institute of Company Secretaries of India

NIRC-ICSI Newsletter

Punjab State Conference on Corporate Growth - Creating Opportunities through Professional Value Addition (5.11.2011): Inaugural Session - Prof. (Dr.) Paramjit Singh Jaswal (Vice-Chancellor, Rajiv Gandhi National University of Law, Punjab) addressing. From L to R. CS Deepak Kukreja, CS Ranjeet Padney, CS Nesar Ahmad, CS M G Jindal and CS Sushil Sharma.

One Day Program on Repositioning the Profession in Changing Business Environment (19.11.2011): Inaugural Session From L to R CS Rajiv Bajaj, CS P.K. Mittal, CS Ranjeet Pandey, Mr. Dilip Raosaheb Deshmukh (Hon’ble Chairman, Company Law Board), Dr. Sandeep Srivastava (Commissioner, Customs, Central Excise & Service Tax, Noida), CS Harish K Vaid, CS Vineet K Chaudhary and CS A.K. Gurnani

One Day Program on Repositioning the Profession in Changing Business Environment (19.11.2011): First Technical Session From L to R CS Manish Gupta, CS Rajesh Doshi (Director - Compliance and Secretarial, Religare Enterprises Ltd.), Dr Ashok Haldia (Whole Time Director, PTC Financial Services Ltd.), CS Murli Balasubramaniam (Sr. Vice-President-Legal & Company Secretary, Nestle India Ltd.) and CS Ravi Bhushan

Investor Awareness Program on Capital Market and Mutual Funds (2.11.2011): Dr. Gayatri Verma (HOD, Commerce Association, Lakshmibai College), CS G. P. Madaan, CS J.K. Bareja and Dr. Veena Gautam (Vice Principal, Lakshmibai College).


One Day Program on Repositioning the Profession in Changing Business Environment (19.11.2011): Second Technical Session From L to R CS Manish Gupta, Mr. Ajit Yadav (President & Group Legal Counsel, Vedanta Group), Mr. Vikas Gupta (Advocate, Pathways Legal Consultants) and CS Ravi Bhushan.

One Day Program on Repositioning the Profession in Changing Business Environment (19.11.2011): Third Technical Session From L to R CS Rajiv Bajaj, CS N. J. N. Vazidkar (Past President, ICSI), CS Lalit Jain (Sr. Vice-President & Company Secretary, Jubilant Life Sciences Ltd.) and CS Anand Prakash.

One Day Program on Repositioning the Profession in Changing Business Environment (19.11.2011): Fourth Technical Session From L to R Dr. Gayatri Verma (HOD, Commerce Association, Lakshmibai College), CS G. P. Madaan, CS J.K. Bareja and Dr. Veena Gautam (Vice Principal, Lakshmibai College).

Dear Professional Colleagues,

Concentrate all your thoughts upon the work at hand. The sun’s rays do not burn until brought to a focus.

Alexander Graham Bell

Today’s Competitive environment requires us to be an achiever and that is possible only by continues hammering. It requires intelligent toil and effective work to achieve the results of highest quality to move the profession ahead. This exercise helps the profession and the members to introspect the various concerning issues. Friends, team NIRC is always making persistent endeavour to build the capacity of our members by way of disseminating knowledge and other useful information, so as to enable them to face dynamic challenges offered by the business world. As always month of November, 2011 was also full of activities for the benefit of members and students of Northern Region.

Meeting of the Company Secretaries in Practice

The ICSI has issued the guidelines relating to “Peer Review of Practising Units” and in this regard your NIRC has taken the lead and organized a meeting of the Company Secretaries in Practice for Discussion on the Peer Review on 14th November, 2011. CS Nesar Ahmad, Vice President & Chairman, Peer Review Board of the Institute was the speaker on the occasion.

Study Circle/Study Group Meetings

On 18th November, 2011, NIRC organized a Study Circle Meeting on the topic “Analysis of New Cost Accounting Record Rules & Cost Audit Report Rules” at YMCA Conference Hall, New Delhi. CMA D P Singh was the Guest Speaker on the occasion. The Study Groups have also organized their respective meetings during the month of November.

One Day Seminar on Repositioning the Profession in Changing Business Environment

Friends, there have been a number of business developments in recent past such as emergence of new companies and new industries, emergence of new professional services, etc., it is important for us to be ready to face the challenges posed by the business dynamics and at the same time prepare ourselves to convert these challenges into the opportunity. In order to achieve efficiencies and excellence in our professional services, we need to understand the business dynamics and to groom ourselves as Business Strategist.

With an objective to understand the business dynamics and challenges posed by it, NIRC-ICSI on 19th November, 2011 organized one day program on the theme “Repositioning the Profession in Changing Business Environment” at Redisson Blu Hotel, Noida. Mr. Dilip Raosaheb Deshmukh, Hon’ble Chairman, Company Law Board was the Chief Guest and Dr. Sandeep Srivastava, Commissioner, Customs, Central Excise & Service Tax, Noida was the Guest of Honour on the occasion.

On this occasion, the Hon’ble Chairman, Company Law Board re-launched the newly designed Child Portal of the NIRC and also distributed prizes to the students of the Institute for their remarkable performance in the June 2011 Examinations of the Institute. I hereby request all of you to give your suggestions for further improvement of contents and design of the web-portal of NIRC.

Capacity Building Workshop for Practising Company Secretaries

On 3rd & 4th December, 2011 NIRC-ICSI organized Two Day Capacity Building Workshop for the Practising Company Secretaries at NIRC Auditorium. The Workshop was attended by approximately 75 Participants. This workshop was well received and appreciated by the members.

Rajasthan State Conference

On 10th December, 2011 NIRC-ICSI is organizing Rajasthan State Conference through its Bhilwara Chapter on the theme “Managing Knowledge Dynamics & Creating Professional Avenues”. The details of the same are published elsewhere in the Newsletter for your reference. I appeal to all you to attend the Conference in large number and have the benefit of listening to the learned speakers.
New Companies Bill, 2011

Friends, as you all are aware that the Union Cabinet on 1st December, 2011 approved the Companies Bill, 2011 which will help in improving efficiency and increasing accountability of the corporate sector. It is likely to be tabled (for consideration and passage) in the ongoing winter session. Once passed, the new Act will update the company law in line with the best global practices and introduce new ideas such as Corporate Social Responsibility (CSR), class action suits and a fixed term for independent directors. The Bill also proposes to tighten laws for raising money from the public besides prohibiting any insider trading by company directors or key managerial personnel by treating such activities as a criminal offence. It will also make mandatory for companies to earmark 2 per cent of their average profit of the preceding three years for CSR activities and make a disclosure to shareholders about the policy adopted in the process. This will bring lot many opportunities and challenges for Professionals.

Immediately after passing of the Companies Bill, 2011 by the Parliament, NIRC is committed to hold one full day seminar on the same in the month of December, 2011 for the benefit of our members.

New Year Eve Celebrations

NIRC is organizing New Year eve celebration on 30th December, 2011 at Garden of Five Senses, New Delhi. Details are published elsewhere in the Newsletter. I invite all of you to join the celebration with your family and colleagues.

I wish you and your family a very Happy and Prosperous New Year, 2012.

With best regards,

Yours sincerely,

(CS RANJEET PANDEY)
cs.ranjeet@gmail.com

5th December, 2011 Mobile : 9810558049

AN APPEAL FOR BECOMING MEMBER OF CSBF

In recent past, some of our members have died leaving behind the spouse and minor children. In some cases providing adequate financial assistance to the bereaved family becomes an impediment. Although the Managing Committee of the CSBF wanted to help the bereaved family members, but it was constrained to do so in view of financial position of the Fund. At present around 8000 members are the members of the CSBF. The fund can provide the much needed financial assistance in such cases if the corpus of the Fund increases substantially which is possible if more number of members are enrolled to the fund. The members in all earnestness are therefore sincerely requested to become the members of the CSBF by paying one time Life membership fee of Rs. 5,000/- (being increased to Rs. 7,500/- w.e.f. 1st April 2012. )

The payments made to the Fund are exempted under Section 80G of the Income Tax Act, 1961.

The members have to just fill up Form-A (available on the website of the Institute, i.e. www.icsi.edu) and send the same along with a cheque for Rs. 5,000 favouring ‘Company Secretaries Benevolent Fund’ payable at New Delhi to NIRC Office.

Following benefits are presently provided by the CSBF

1. Financial assistance in the event of death of a member of CSBF

Upto the age of 60 years
- Group Life Insurance Policy for a sum of Rs. 2,00,000;
- Upto Rs. 1,00,000 in deserving cases on receipt of request subject to the Guidelines approved by the Managing Committee from time to time. (being increased to Rs. 5 Lakhs w.e.f. 1st April 2012. )

Above the age of 60 years
- Upto Rs. 1,00,000 in deserving cases on receipt of request subject to the Guidelines approved by the Managing Committee from time to time.

2. Other benefits (in deserving cases on receipt of request subject to the Guidelines approved by the Managing Committee from time to time).

Reimbursement of Medical Expenses
- Upto Rs. 40,000

Financial Assistance for Children’s Education (one time)
- Upto Rs. 10,000 per child (Maximum for two children) in case of the member leaving behind minor children.

For more details please visit www.icsi.edu.
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Activities</th>
<th>Sections/Rules/ Clauses, etc.</th>
<th>Acts/Regulations, etc.</th>
<th>Compliance Due Date</th>
<th>To whom to be submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>File Prudential Norms Return in Form NBS-2</td>
<td>Para 21</td>
<td>NBFC-D Prudential Norms Directions, 2007</td>
<td>31st December (Within 3 months of the expiry of the half year as on September)</td>
<td>RBI</td>
</tr>
<tr>
<td>3.</td>
<td>In case of graduate, technician (vocational), send a record of work for each quarter in Form Apprenticeship 3 in Schedule III</td>
<td>Section 2 Rule 14(11)</td>
<td>Apprentices Act, 1961 and Apprenticeship Rules, 1962</td>
<td>31st December</td>
<td>Director-Regional Board and Apprenticeship Training</td>
</tr>
<tr>
<td>4.</td>
<td>Issue TDS Certificate in form 16A to vendors (with respect to TDS deducted in the previous month)</td>
<td>Section 203</td>
<td>Income Tax Act, 1961</td>
<td>31st December</td>
<td>Income-Tax Authorities</td>
</tr>
<tr>
<td>5.</td>
<td>File Annual Accounts of the Companies in XBRL form</td>
<td>Section 220 read with the General Circular No. 37 read with No. 69 of 2011</td>
<td></td>
<td>31st December</td>
<td>MCA</td>
</tr>
<tr>
<td>6.</td>
<td>Pay Service Tax collected during the previous Quarter</td>
<td>Section 68 read with Rule 6</td>
<td>The Finance Act, 1994, Service Tax Rules, 1994</td>
<td>5th January</td>
<td>Service Tax Authorities</td>
</tr>
<tr>
<td>7.</td>
<td>Deposit TDS from Salaries for the previous month in Challan No.281</td>
<td>Section 192</td>
<td>Income Tax Act, 1961</td>
<td>7th January</td>
<td>Income-Tax Authorities</td>
</tr>
<tr>
<td>8.</td>
<td>Submit monthly statement on substitution of names of depositories in the previous quarter</td>
<td>Regulation 54(5)</td>
<td>SEBI (Depositories and Participants) Regulations, 1996</td>
<td>7th January</td>
<td>Stock Exchanges</td>
</tr>
<tr>
<td>9.</td>
<td>Submit monthly certificate on demat/remat of shares during the previous quarter</td>
<td>Regulation 54(5)</td>
<td>SEBI (Depositories and Participants) Regulations, 1996</td>
<td>7th January</td>
<td>NSDL/CDSL</td>
</tr>
<tr>
<td>10.</td>
<td>Deposit TDS on Contractor’s Bill/Rent Advertising/Professional Service Tax deducted in the previous month</td>
<td>Section 194C to Section 194J</td>
<td>Income Tax Act, 1961</td>
<td>7th January</td>
<td>Income-Tax Authorities</td>
</tr>
<tr>
<td>11.</td>
<td>File return of exposure to capital markets</td>
<td>Para 22</td>
<td>NBFC-D Prudential Norms Directions, 2007</td>
<td>7th January</td>
<td>RBI</td>
</tr>
<tr>
<td>12.</td>
<td>File a monthly return in prescribed format</td>
<td>RBI circular No.DNBS (RID) CC No.57/02.02. 15/2005-06</td>
<td>Department of Non-Banking Supervision, RBI</td>
<td>7th January</td>
<td>RBI</td>
</tr>
</tbody>
</table>

**Note:** Members are requested to check the latest position with the original sources. NIRC of ICSI is, any way not responsible for the result of any action taken on the basis of the above compliances published in the Newsletter.
1. What is Peer Review?
   **Ans.** Peer Review is a process used for examining the work performed by one’s equals (peers) and to understand the systems, practices and procedures followed by the Practice Unit and to give suggestions, if any, for further improvement.

2. When will Peer Review start?
   **Ans.** The Peer Review Board proposes to start the process of Peer Review from December 2011.

3. To whom all would Peer Review be applicable?
   **Ans.** Peer Review is applicable to all Practicing Company Secretaries.

4. What is the meaning of Practice Unit?
   **Ans.** Practice Unit means members in practice, whether practicing individually or a firm of Company Secretaries.

5. What are the practice areas covered under the scope of Peer Review?
   **Ans.** To begin with, the Review would only be in respect of the following services:
   a. Signing of Annual Return pursuant to Section 161(1) of the Companies Act, 1956
   b. Issue of Compliance Certificate pursuant to Section 383A(1) of the Companies Act, 1956
   c. Issue of certificate of Securities Transfers in compliance with the Listing Agreement with Stock Exchanges
   d. Certificate of reconciliation of Capital as per SEBI Circular dated Dec. 31, 2002
   e. Conduct of Internal Audit of Operations of Depository Participants
   f. Certification under Clause 49 of Listing Agreement

6. Whether the concept of Peer Review exists for CWA’s and CA’s?
   **Ans.** The Institute of Chartered Accountants of India has a mechanism of Peer Review of their Members in Practice.

7. What are the advantages of the Peer Review to the Practice Unit (PU)?
   **Ans.** It is expected to
   (A) enhance the quality of attestation services.
   (B) enhance credibility and provide competitive advantage.
   (C) provide a forum for Guidance and knowledge sharing.

8. How much will it cost me to get Peer Reviewed?
   **Ans.** You shall pay to the Peer Reviewer the fee of Rs. 10,000/- to the Peer Reviewer (inclusive of TA/DA and any out of pocket expenses) as may be prescribed by the Peer Review Board from time to time.

9. What is the frequency of Peer Review?
   **Ans.** Initially, each Practice Unit would be required to be peer reviewed at least once in every five years.

10. How will I be selected for Peer Review?
    **Ans.** You may apply to be peer reviewed or it may be done through random selection by the Peer Review Board.

11. If I have been Peer Reviewed can I disclose this on my website?
    **Ans.** Only the fact of being Peer Reviewed can be stated. However, neither the Certificate nor the Peer Review Report may be given on the website.

12. Can I become a Peer Reviewer?
    **Ans.** Any member of the Institute who fulfills the following criterion may apply to be empanelled as a Peer Reviewer-
    (a) possesses at least 10 years of post membership experience
    (b) is currently in practice as a Company Secretary.

13. Will the information disclosed by me be kept confidential by the reviewer?
    **Ans.** The Peer Reviewer is bound by a Confidentiality Agreement with the Peer Review Board. If the Reviewer misuses the
FAQ'S ON PEER REVIEW

14. If I am Peer Reviewed and it is found that I have not maintained adequate records will I be liable for any disciplinary action?
Ans. No.

15. Is the Peer Reviewer exposed to any liability?
Ans. The reviewer, by virtue of carrying out the peer review shall not incur any liability other than the liability arising out of his own conduct under the Code of Conduct under the Company Secretaries Act, 1980 and Regulations framed thereunder as well as under the relevant clauses of these Guidelines.

16. After the Peer review of my records do I get any protection from disciplinary proceedings under the Code of Conduct?
Ans. No. Peer Review is only a broad examination of the systems and procedures followed by the Practice Unit. The fact that you have been Peer Reviewed does not provide immunity from Disciplinary Action. However, neither Institute nor the Reviewer can file any complaint in respect of deficiencies observed during the course of Peer Review. (Refer Cl. 18 of the Guidelines for details)

17. What do I do if I am not satisfied with the Report of the Peer Reviewer?
Ans. You may refer your case to the Peer Review Board.

18. If I am selected for Peer Review is it mandatory for me to offer myself for Peer Review?
Ans. Yes

19. Do I need to disclose the records of my clients to the reviewers?
Ans. No

20. A) Can any of my clients ask the Institute to get me peer reviewed?
Ans. Yes

B) Who will pay the cost of such Peer Review?
Ans. The client shall pay the cost of such Peer Review.

21. Will ICSI be issuing any Certificate after Peer Review?
Ans. Yes.

22. Will ICSI put up the names of the PU which have undergone PR on ICSI website?
Ans. Yes

23. What are my obligations as a Practice Unit?
Ans. Refer Cl. 12 of the Guidelines

24. Can I volunteer to get Peer Reviewed?
Ans. Yes

25. I have been Peer Reviewed once, will I be Peer Reviewed again?
Ans. Yes, if the Peer Review Board so decides.

26. Can I choose my Peer Reviewer?
Ans. The Peer Review Board would send you a panel of at least three reviewers and you may choose any one name out of the panel sent to you.

27. Can I reject all the reviewers mentioned in the panel and ask for another reviewer from the same State or region?
Ans. No.

28. If I want a Peer Reviewer from out side my State or region what should I do?
Ans. You may make a special request to the Peer Review Board to provide names of such Peer Reviewers. However, in such a case you would have to bear the extra cost that would be incurred for TA / DA etc.

29. If I am not satisfied with the order of the Peer Review Board can I appeal to the Council?
Ans. Yes. You may appeal against the Order of the Peer Review Board to the Central Council of the Institute. (Refer cl. 17.3 of the Guidelines)

30. Can I refuse to get myself Peer Reviewed?
Ans. No. Any refusal to get Peer Reviewed shall be a misconduct under the Code of Conduct.

For detailed guidelines of Peer Review, please visit www.icsi.edu
Q. 1 Whether 44 (forty four) industry specific Cost Accounting Record Rules prevails on date?
A.1 In supersession of 36 (thirty six) out of 44 (forty four) cost accounting record rules, the Ministry of Corporate Affairs (“MCA”) vide notification no. G.S.R. 429(E) dated 03rd June, 2011 has notified the general cost accounting record rules, referred to as The Companies (Cost Accounting Records) Rules, 2011 (“Record Rules”) applicable to all industries except the 8 industries mentioned herein after for which specific rules would continue to prevail.

Q.2. What is the applicability of Record Rules?
A.2 The Record Rules shall apply to every company, including a foreign company as defined under section 591 of the Act, which is engaged in production, processing, manufacturing or mining activities and wherein:

a) the aggregate value of net worth as on last date of the immediately preceding financial year exceeds rupees five crores; or
b) the aggregate value of the turnover made by the company from sale or supply of all products or activities during the immediately preceding financial year exceeds rupees twenty crores; or
c) the company’s equity or debt securities are listed or in process of listing on any stock exchange, whether in India or outside India.

Q.3. Which industries are excluded from the purview of Record Rules?
A.3 The Record Rules shall not apply to the activities or products covered in any of the following rules:

a) Cost Accounting Records (Bulk Drugs) Rules, 1974
b) Cost Accounting Records (Formulations) Rules, 1988
c) Cost Accounting Records (Fertilizers) Rules, 1993
d) Cost Accounting Records (Sugar) Rules, 1997
e) Cost Accounting Records (Industrial Alcohol) Rules, 1997
f) Cost Accounting Records (Electricity Industry) Rules, 2001
g) Cost Accounting Records (Petroleum Industry) Rules, 2002
h) Cost Accounting Records (Telecommunications) Rules, 2002

Q.4. Are these Record Rules applicable to Manufacturing Industries only?
A.4. No, Record Rules are applicable on all companies engaged in production, processing, manufacturing or mining activities and satisfying any of the 3 requirements (net worth or turnover or listing) mentioned herein before.

Q.5. What is ’Manufacturing Activity’ and is it defined under Record Rules?
A.5. The term “manufacturing activity” has been defined in Record Rules as:

(j) “Manufacturing Activity” includes any act, process or method employed in relation to - (i) transformation of raw materials, components, sub-assemblies, or parts into semi-finished or finished products; or (ii) making, altering, repairing, fabricating, generating, composing, ornamenting, furnishing, finishing, packing, re-packing, oiling, washing, cleaning, breaking-up, demolishing, or otherwise treating or adapting any product with a view to its use, sale, transport, delivery or disposal; or (iii) constructing, reconstructing, reconditioning, servicing, refitting, repairing, finishing or breaking up of any products.

Q.6. What is ‘Turnover’ and is it defined under Record Rules?
A.6. The expression ‘turnover’ has been defined in Record Rules as:

“Turnover” means gross turnover made by the company from the sale or supply of all products or services during the financial year. It includes any turnover from job work or loan license operations but does not include any non-operational income.

Q.7 Is there any specific format available for the cost statements?
A.7 As per sub rule (2) of Rule 4, the companies are required to maintain cost records on regular basis in such manner so as to make it possible to calculate per unit cost of production or cost of operations, cost of sales and margin for each of its products and activities for every financial year on monthly/quarterly/half-yearly/annual basis. The cost statements are to be prepared for every unit and every product produced, processed, manufactured or mined. As per sub rule (3), the cost records are to be maintained in accordance with the generally accepted cost accounting principles and cost accounting standards issued by the Institute; to the extent these are found to be relevant and applicable. These Rules have not prescribed any specific formats for the cost statement. A guidance note on the subject is under preparation by ICAI, inter alia, containing model formats for cost records, statements, schedules etc.

Q.8 Who can authenticate the Compliance Report as per the Companies (Cost Accounting Records) Rules 2011?
A.8. As per Rule 5, the Compliance Report and annexure thereto is required to be certified by a “cost accountant” as defined under Rule 2(c). As per Rule 7, the annexure to the Compliance Report is to be duly approved by the Board of Directors. A “cost accountant” within the definition of these Rules does not include:
A.13 The definition of product in Rule 2(m) includes production, processing, manufacturing or mining activity – whether by use of power or not – are included for the purposes of these Rules.

Q.14 Whether product manufactured for 100% captive / self consumption shall be covered under the Companies (Cost Accounting Records) Rules 2011?

A.14 The test of inclusion under the Rules is whether it is a production, processing, manufacturing or mining activity resulting in a product [for definition of “product” refer to Rule 2(m)] intended for use, consumption, sale, transport, store, delivery or disposal and whether the company carrying out the activity falls within the criteria mentioned under Rule 3(1).

Q.15 Whether Cost Audit Report Rules, 2001 exists as on date?


Q.16 Which are the Companies to whom Audit Rules apply?

A.16 The Cost Audit Rules shall apply to every company in respect of which an audit of cost records has been ordered by Central Government under sub-section (1) of section 233B of the Act.

It is pertinent to mention that the Cost Audit Branch, MCA has issued an order no. F. No. 52/26/CAB-2010 dated 02nd May, 2011 (“2nd May Order”) providing for the eligibility of companies mandatorily required to get their cost accounting records audited by a cost accountant. The criterion fixed for applicability of 2nd May Order is that all companies to which any of the following rules apply:

a) Cost Accounting Records (Bulk Drugs) Rules, 1974 or
(b) Cost Accounting Records (Formulations) Rules, 1988 or
(c) Cost Accounting Records (Fertilizers) Rules, 1993 or
(d) Cost Accounting Records (Sugar) Rules, 1997 or
(e) Cost Accounting Records (Industrial Alcohol) Rules, 1997 or
(f) Cost Accounting Records (Electricity Industry) Rules, 2001 or
(g) Cost Accounting Records (Petroleum Industry) Rules, 2002 or
(h) Cost Accounting Records (Telecommunications) Rules, 2002 and wherein:

(a) the aggregate value of net worth as on the last date of the immediately preceding financial year exceeds rupees five crores; or
(b) the aggregate value of the turnover made by the company from sale or supply of all products or activities during the immediately preceding financial year exceeds rupees twenty crores; or
(c) the company’s equity or debt securities are listed or are in process of listing on any stock exchange, where in India or outside India; shall get the cost accounting records audited by a cost auditor.
Q. 17 Who is a “Cost Auditor” within the scope of Cost Audit Report Rules, 2011?
A.17 “Cost Auditor” means an auditor appointed to conduct an audit of cost records, under sub-section (2) of section 233B of the Act and shall be a cost accountant within the meaning of the Cost and Works Accountants Act, 1959. “Cost Accountant” for the purpose of these rules means a cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959 (23 of 1959) and who holds a valid certificate of practice under subsection (1) of section 6 and who is deemed to be in practice under subsection (2) of section 2 of that Act and includes a firm of cost accountants.

Q.18 Can a Cost Accountant in employment be a Cost Auditor?
A.18 No person in employment can be appointed as a cost auditor.

Q.19 What is the Procedure for Cost Audit?
A.19 Procedure:
1. Issue of Cost Audit Order by Cost Accounts Branch, Ministry of Corporate Affairs for the product for which the cost audit is to be conducted, for the financial year and also for every financial year continuously.
2. Receipt/downloading of notification Cost Audit Order, by the Company.
3. Proposed Cost Auditor to provide a certificate under Section 224 (IB) of The Companies Act, 1956.
4. Board Resolution to be passed by the Company for appointment of Cost Auditor.
5. Form 23-C to be filed by the Company, with Cost Accounts Branch, MCA seeking approval for appointment of Cost Auditor. Enclosure with Form 23-C
   a) Covering Letter
   b) Certified Copy of Board Resolution passed by the Company for appointment of Cost Auditor.
   c) A Certificate in writing by the proposed Cost Auditor showing compliance of Section 2 2 4 (1B).
   d) Online payment of filing fee or payment by challan for the required amount payable to PAY AND ACCOUNTS OFFICER, MCA payable at NEW DELHI.
6. Fees payable: (as on date)
   Nominal Share Capital Rs. Fees payable
   Less than Rs.25 lacs Rs.500/-
   Rs.25 lacs or more but less than Rs.5 Crores Rs.1000/-
   Rs.5 Crores or more Rs.2000/-
7. Receipt of approval from the Cost Accounts Branch, MCA
9. Approval of the Cost Audit Report and Annexure to the Cost Audit Report to the Audit Committee.
10. Submission of the Cost Audit Report and Annexure to the Cost Audit Report to the Government with a copy to the Company, by the cost auditor.

Q.20 Whether the Companies (Cost Accounting Records) Rules, 2011 are applicable to Whole Sale or retail trading activities?
A.20 No.

Q.21 What are the other specific areas where Companies (Cost Accounting Record) Rules are not applicable?
A.21 These are not applicable to Companies engaged in rendering job work operations or contracting/sub-contracting activities, and are paid only the job work or conversion charges, such as tailoring, baking, repairing, painting, printing, constructing, servicing etc. These are also not applicable to Companies engaged in production, processing, manufacturing or mining activities till such time they commence their commercial operations.

Q.22 Are the Cost Audit Orders dated 2nd May, 2011 and 30th June, 2011 apply to organizations engaged in generation of electricity for captive consumption?
A. 22 No

Q.23 If all the products excluding the exempted categories, are covered under cost audit, will the company be required to file the compliance report separately.
A.23 No

Q.24. What is the time limit up to which Cost Records and cost details, statements, schedules etc are to be kept for the companies coming under the purview of the Companies (Cost Accounting Records) Rules, 2011 and Companies (Sot Audit Report) Rules, 2011 for the first time?
A.24 The Cost Records, cost details, statements, schedules etc. shall be kept in good order for the next Eight Financial Years beginning with first year of application of the said Rules.
The appellant has also placed record before the High Court (in the Delhi High Court) a certified copy of Annual Return of the Company dated 30.09.1999 filed with the Registrar of Companies. A notice dated 10.12.2004 was issued to the appellant regarding dishonor of alleged cheques under Section 138 of the Act by the respondents. The appellant, vide letter dated 15.12.2004, replied to the said notice informing the respondents that she had resigned from the Directorship of the Company long back in 1998.

The Respondents filed a complaint before the High Court under Section 138 of the Act against the Company and the appellant stating that on the date of issuance of cheques, that is, on 01.06.2004, the appellant was a Director of the Company and in charge of all the acts and deeds of the Company and also responsible for the day to day affairs, funding monies etc.

The appellant also filed a petition with High Court of Delhi under Section 482 of Cr. PC for quashing the complaint made by the respondent. The High Court dismissed her petition on the grounds that Form 32 is the only authentic document showing the resignation of the director and no Form 32 is available on the records of the ROC.

In the above case, the Supreme Court has taken the following view:

1. The assertion in the complaint that the appellant was a director at the time of issuance of cheques cannot be sustained in the light of her reply dated 15.12.2004 intimating that she had resigned from the Company in 1998.
2. The appellant has also placed record before the High Court a certified copy of Annual Return of the Company dated 30.09.1999 filed with the Registrar of Companies. The High Court proceeded that the annual return dated 30.09.1999 filed by the accused-Company is not a public document. Form-32 is not available in the record of the Registrar of Companies and finding that Form-32 is the only authentic document and annual return dated 30.09.1999 filed by the accused-Company is not a public document, the High Court rejected the claim of the appellant and dismissed the petition of the appellant filed for quashing the complaint.

However, Sections 159, 163 and 610(3) contended that the Annual Return dated 30.09.1999 is a public document and the same is reliable and legally acceptable insofar as the contents of the same are concerned.

Moreover, although the appellant (petitioner before the High Court) was unable to produce certified copy of the said Form 32 as it was not available with the ROC, copy of Form 32 was placed before the High Court.

Thus, the Supreme Court held that the appellant has validly resigned from the Directorship of the Company in the year 1998 and she cannot be held responsible for the dishonor of the cheques issued in the year 2004. In case of a Director, complaint should specifically spell out how and in what manner the Director was in charge of or was responsible to the accused Company for conduct of its business and mere bald statement that he or she was in charge of and was responsible to the company for conduct of its business is not sufficient.

Crux of the Judgment:

Where the director has resigned from the Company and this fact is evident from the Public documents filed with the ROC (including Form 32 and 20B), he cannot be held liable for any subsequent dishonor of Cheque issued on behalf of the Company.

Brief facts of the Case:

The appellant, who was a non-executive Director on the Board of M/s Lapareil Exports (P) Ltd. (hereinafter referred to as "the Company"), resigned from the Directorship with effect from 31.08.1998. On 20.11.1998, recording the resignation of the appellant, the Company filed statutory Form 32 with the Registrar of Companies. A notice dated 10.12.2004 was issued to the appellant regarding dishonor of alleged cheques under Section 138 of the Act by the respondents. The appellant, vide letter dated 15.12.2004, replied to the said notice informing the respondents that she had resigned from the Directorship of the Company long back in 1998.

The Respondents filed a complaint before the High Court under Section 138 of the Act against the Company and the appellant stating that on the date of issuance of cheques, that is, on 01.06.2004, the appellant was a Director of the Company and in charge of all the acts and deeds of the Company and also responsible for the day to day affairs, funding monies etc.

The appellant also filed a petition with High Court of Delhi under Section 482 of Cr. PC for quashing the complaint made by the respondent. The High Court dismissed her petition on the grounds that Form 32 is the only authentic document showing the resignation of the director and no Form 32 is available on the records of the ROC.

The constitutional validity of the inclusion of renting of immovable property in the taxable services was challenged on the following grounds:

1) Service tax is a value added tax and that just as excise duty is a tax on value addition on goods, services tax is on value addition by rendition of services.

However, Sections 159, 163 and 610(3) contended that the Annual Return dated 30.09.1999 is a public document and the same is reliable and legally acceptable insofar as the contents of the same are concerned.

Moreover, although the appellant (petitioner before the High Court) was unable to produce certified copy of the said Form 32 as it was not available with the ROC, copy of Form 32 was placed before the High Court.

Thus, the Supreme Court held that the appellant has validly resigned from the Directorship of the Company in the year 1998 and she cannot be held responsible for the dishonor of the cheques issued in the year 2004. In case of a Director, complaint should specifically spell out how and in what manner the Director was in charge of or was responsible to the accused Company for conduct of its business and mere bald statement that he or she was in charge of and was responsible to the company for conduct of its business is not sufficient.

Crux of the Judgment:

Where the director has resigned from the Company and this fact is evident from the Public documents filed with the ROC (including Form 32 and 20B), he cannot be held liable for any subsequent dishonor of Cheque issued on behalf of the Company.
a service and, there must be some value addition by that service. If there is no value addition, then there is no service.

What is being taxed is the service. The expression “in relation to any service” may be of widest amplitude. Sometimes, “in relation to” would include the subject matter following it and on other occasions it would not.

There is no dispute that any service connected with the renting of such immovable property would fall within the ambit of Section 65(105)(zzzz) and would be exigible to service tax.

In case of renting of immovable property, this expression cannot include the subject matter because immovable property by itself cannot by any stretch of imagination be regarded as a service. The question is whether renting of such immovable property by itself constitutes a service and, thereby, a taxable service.

Service tax is a tax on the value addition provided by some service provider. Renting of immovable property for use in the course or furtherance of business by itself does not entail any value addition and, therefore, cannot be regarded as a service.

2) Challenging the validity of the amendments, it was submitted that the Parliament has no authority to enact the impugned legislation as renting of immovable property is a tax on lands and buildings which squarely comes within Entry 49 of List II of the Seventh Schedule of the Constitution of India.

Merely describing the tax to be a “service tax” would not alter the nature of the tax for being a tax on land and building and, therefore, the Parliament does not have the legislative competence to tax renting of immovable property as service tax and, therefore, the impugned provision deserves to be declared ultra vires.

3) There is no service involved in the letting of immovable property. The concept of “service seeker” and “service provider” as enunciated in the Finance Act 1994 is wholly absent in the impugned legislation.

4) It is further canvassed by the learned senior counsel that under the constitutional scheme, a single transaction or taxable event cannot be taxed by both the Parliament and the State Legislature. The very same transaction cannot be subjected to tax by both the Parliament and the State Legislature.

5) Even internationally, leasing / letting of immovable property is exempted from value added taxation since it has been construed that the same does not provide any value addition.

However, the respondent proposed the following:

1) by virtue of the amendment incorporated by the Finance Act, 2010, the levy is on the very activity of renting, leasing, letting, licensing of the immovable property or permitting the immovable property through any arrangement whatsoever to be used in the course or furtherance of business or commerce and for the said purpose, transfer of right, title and interest is totally irrelevant. The impost is on the activity and not on renting or leasing.

2) It is further submitted that the activity which is sought to be taxed under Section 65(105)(zzzz) is allowing/permitting the usage of immovable property in the course and furtherance of business which is neither covered under the Transfer of Property Act nor under the Indian Easements Act and by no means is a tax on land and building to come within the ambit and sweep of Entry 49 of List II of the Seventh Schedule of the Constitution.

3) In the present case, the levy is not on land but on the activity of renting, leasing, letting, licensing, allowing and permitting the usage of immovable property in the course or furtherance of business or commerce.

4) On the nature of service tax, there is value addition and the whole activity has an inseparable nexus with commercial activity. Emphasizing on the concept of Value Added Tax (VAT), it is submitted by him that VAT was based on the additional services and the related VAT liability of the service provider can be calculated by deducting input tax credit from the tax collected on the services making it a multi point tax on value addition which is collected at different stages of providing services with provision for set off for the tax paid at the previous stage / tax on inputs.

5) The different entries being legislative heads are all of enabling character and are designed to define and delimit the respective areas of legislative competence of the Union and the State Legislature. It is an elementary cardinal rule of interpretation that the words used in the Constitution which confer legislative power must receive the most liberal construction and if they are words of wide amplitude, they must be interpreted so as to give effect to that amplitude.

Held that:

a) The provisions, namely, Section 65(105)(zzzz) and Section 66 of the Finance Act, 1994 and as amended by the Finance Act, 2010, are intra vires the Constitution of India.

b) The challenge to the amendment giving it retrospective effect is unsustainable and accordingly, the same stands repelled and the retrospective amendment is declared as constitutionally valid.

[Order passed by SAT]
V.T. Somusundaram &
M/s. Trichy Distilleries and Chemicals Limited
Versus
Madras Stock Exchange Limited
[November 4, 2011]

Crux of the Case:

90% of the public shareholding in terms of value irrespective of the number of shareholders should give consent for the proposal for delisting in terms of Regulation 27(3)(d) of the Delisting Regulations.
Brief facts

Trichy Distilleries and Chemicals Limited (TDCL) is a public limited company whose shares are listed on MSE and these are not listed in any other stock exchange.

The share capital of TDCL is as under:

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Shareholders</th>
<th>Percentage of Shareholders</th>
<th>Number of Shares</th>
<th>Paid up Capital</th>
<th>Paid up Capital (in Rupees) (in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoters</td>
<td>8</td>
<td>3.92%</td>
<td>696750</td>
<td>696750</td>
<td>58.06%</td>
</tr>
<tr>
<td>Public</td>
<td>196</td>
<td>96.08%</td>
<td>503250</td>
<td>503250</td>
<td>41.94%</td>
</tr>
<tr>
<td>Total</td>
<td>204</td>
<td>100%</td>
<td>1200000</td>
<td>12000000</td>
<td>100%</td>
</tr>
</tbody>
</table>

With the advent of the National Stock Exchange of India Limited, regional stock exchanges like MSE have become defunct. The shares of companies which were exclusively listed on MSE cannot be traded and consequently there is no exit opportunity for the public shareholders of such companies.

Since the shareholders of the company have remained stuck for the last few years as there has been no trading on the platform of MSE, the promoters decided to offer an exit opportunity to the public shareholders by getting the equity shares of the company delisted under Regulation 27(2) of the Company which says that

“the listed companies whose paid up capital held by all the public shareholders put together is rupees one crore or less and such shareholders are three hundred or less in number (hereinafter called as Small Company), such Company can get the shares delisted under Regulation 8.

Accordingly the Company received approval of shareholders through postal ballot as well as in principal approval of MSE in terms of Regulation 8.

Further, the following conditions are further required to be fulfilled:

- the promoter writes individually to all public shareholders in the company informing them of his intention to get the equity shares delisted, indicating the exit price together with the justification therefor and seeking their consent for the proposal for delisting;
- at least ninety per cent. of such public shareholders give their positive consent in writing to the proposal for delisting, and have consented either to sell their equity shares at the price offered by the promoter or to remain holders of the equity shares even if they are delisted;

All public shareholders of TDCL were sent letters offering to purchase their shares at Rs. 367 per share and seeking their consent for delisting. The following consent for delisting has been received:

<table>
<thead>
<tr>
<th>Shareholders in numbers</th>
<th>Consent</th>
<th>Dissent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>125</td>
<td>71</td>
</tr>
</tbody>
</table>

MSE declined to delist the equity shares of the company on the ground that “it is mandatory to obtain the consent from 90% of the public shareholders i.e. 176”. MSE contends that ninety per cent of the total number of public shareholders irrespective of the percentage of shares held by them ought to have given their positive consent which has not happened in the present case.

The Tribunal held that the contention that ninety per cent of the shareholders in number must agree and give their positive consent rather than ninety per cent of the public shareholders in value, if accepted, would lead to absurd results and run counter not only to the scheme of the corporate law but also to the very scheme of the regulations. One of the basic features of the Companies Act is that it provides a democratic set up in a company by which each share in the share capital of that company carries one vote. When the Companies Act recognizes the principle of “one share, one vote” it would be contrary to the scheme of the law and public policy to interpret regulation 27(3)(d) of the regulations otherwise.

Moreover, allowing the interpretation of MSE would also imply that a miniscule percentage of the shareholding can force a delisting although majority as vast as ninety per cent may be opposed to the delisting.

Held that the appellants are entitled to get the equity shares of the Company delisted.

[Order passed by SAT]

Hindustan Dorr Oliver Limited & Others

Versus

Securities and Exchange Board of India

[October 10, 2011]

Crux of the Judgment:

To prevent insider trading, trading window is not required to be closed by the Company where the transaction is to be entered in the ordinary course of business and although being price sensitive, it is not unpublished.

Brief facts:

The appellants are a public limited company engaged in the business of contracting and executing engineering contracts, its Chairman, Vice- Chairman, Managing Director, Directors and Compliance Officer. The company is listed on the National Stock Exchange and on the Bombay Stock Exchange. During the period from February 2, 2009 to March 25, 2009, the Company has been awarded an order for Uranium Ore Processing Plant from Uranium Corporation of India Limited worth Rs. 441 crores and another order Rs. 24 crores.

However, on both the occasions it is alleged that the company had failed to close the trading window, as required under Clauses 1.2, 3.2(1) and 3.2.(3)(d) of the model code of conduct, for prevention of insider trading for listed companies mandated under Regulation 12(1) of the Regulations.

It was submitted by the Company that the projects in question were undertaken by the company in the ordinary
course of its normal business activity of setting up projects for third party which is the primary business of the company. However, bagging of the project itself being price sensitive information within the meaning of the regulations, intimation was given to the stock exchanges as per rules.

According to the respondent, there was a volume jump of more than 10 times and a jump of more than 25 per cent in price after the company informed the stock exchanges about the receipt of Rs. 441 crores order. Therefore, according to the adjudicating officer, the trading window should have been closed and due to the failure of the same, the appellants have been imposed with a penalty of Rs. 2,50,000/- under Section 15HB of the Act.

In the above case, SAT observed that:

• The company had framed its code of conduct for prevention of insider trading in equity shares and other listed securities of the company.

• There is no dispute that the information with regard to the award of two contracts is price sensitive. Therefore, this information was furnished to the stock exchanges. However, every price sensitive information does not mandate closing of trading window and it is only the information which is mentioned in clause (a) to (g) of clause 3.2.3 read with para 9 of the code of conduct referred to above that mandates closure of trading window. Moreover, para 3.2(3)(d) of the model code of conduct as adopted by the company also provides for closing of the trading window during the time the information relating to “any major expansion plan or execution of new projects” is unpublished.

• The information with regard to these projects cannot be said to be unpublished as award of contract is already in the public domain due to long tendering process involved right from the time of inviting of tenders to the award of contract.

• By setting up the projects for its customers in the ordinary course of business, the company would not achieve any expansion or will not be setting up a new project for itself. The project undertaken by the company in the course of its normal business cannot be said to be the projects undertaken by the company concerned for carrying out its own expansion or setting up of new project for itself.

Held that the company has not violated the model code of conduct when it did not close the trading window on bagging two contracts in question and till the information with regard to award of these contracts was made public.

### INVITATION OF APPLICATIONS FOR PANEL OF PAPER SETTERS AND EXAMINERS FOR THE COMPANY SECRETARIES EXAMINATIONS

The Institute is inviting applications for preparing a panel of Paper Setters and Examiners in the various subjects of company secretaries examinations.

<table>
<thead>
<tr>
<th>Stage of Examination</th>
<th>For Paper Setting</th>
<th>For Evaluation of Answer Books</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>Rs.5,000/- per paper</td>
<td>Rs.40.00 per answer book</td>
</tr>
<tr>
<td>Executive</td>
<td>Rs.6,000/- per paper</td>
<td>Rs.50.00 per answer book</td>
</tr>
<tr>
<td>Professional</td>
<td>Rs.7,000/- per paper</td>
<td>Rs.60.00 per answer book</td>
</tr>
</tbody>
</table>

**QUALIFICATIONS:** A person applying for empanelment of his/her name as a Paper Setter/Examiner should be holding professional qualification as member of the Institute of Company Secretaries of India/Institute of Cost and Works Accountants of India/Institute of Chartered Accountants of India at least for five years and/or a Doctorate Degree/Postgraduate Qualification with at least second class in the disciplines of Law, Management, Finance & Accounting and International Trade & Economics with five years experience either in an academic position or in practice or in employment in the concerned field/discipline having relevance to the subjects of examinations.

**DESIRABLE EXPERIENCE:** Persons having adequate experience of teaching and as Head Examiner/Moderator/Paper Setter/Examiner in subjects of Legal, Management, Finance & Accounting and International Trade & Economics discipline at graduate/post-graduate level or professional examinations or in writing book(s) or study material in the relevant subject(s) OR any other specialised graduate/post-graduate level qualification(s) with relevant work experience having direct relevance to the aforesaid subject(s) of examination(s) will be preferred.

**HOW TO APPLY:** Candidates fulfilling the above conditions and not registered as a student of the Institute may send their bio-data in the prescribed application form. The prescribed application form may be downloaded from the Institute’s website http://www.icsi.edu/Webmodules/Member/forms/examnew.pdf The blank application form can also be obtained by post from the Joint Director (Examinations), The Institute of Company Secretaries of India, C – 37, Institutional Area, Sector – 62, NOIDA – 201 309 or by sending an e-mail to exam@icsi.edu.
### NIRC organised the following programs:

#### For Members

<table>
<thead>
<tr>
<th>Day, Date, Time</th>
<th>Program</th>
<th>Chief Guest Speaker</th>
<th>Present</th>
</tr>
</thead>
</table>
| 5.11.2011       | Punjab State Conference on Corporate Growth – Creating Opportunities through Professional Value Addition | **Chief Guest:** Prof. (Dr.) Paramjit Singh Jaswal (Vice-Chancellor, Rajiv Gandhi National University of Law, Punjab)  
**Guest of Honour:** CS Nesar Ahmad, Vice-President, ICSI  
**Guest Speakers:** CS Nesar Ahmad, Vice-President, ICSI, CS Rachna Sayal, Associate Vice-President, Investment Banking, Almondz Global Securities Ltd., Mr. G.S. Chawla, Director, Master Trust Ltd., Mr. Kanwerinder Khanna of HSBC, CS Hitender Mehta, Partner, Vaish Associates, Mr. Rajive Chawla, President, FSIA & Managing Director, Jairaj Ancillaries Pvt Ltd, CS Satwinder Singh, Partner, Vaish Associates, Mr. G.R. Bhatia, Partner, Luthra & Luthra and Mr. Anupam Malik, Joint Labour Commissioner, Haryana | CS Ranjeet Pandey, CS Deepak Kukreja, CS Manish Gupta, CS M.G. Jindal, CS NPS Chawla, CS Rajiv Bajaj, CS Shyam Agrawal, CS Vineet K Chaudhary, CS Sushil Sharma, managing committee members of Ludhiana Chapter and members |
| 14.11.2011      | Meeting of Company Secretaries in Practice for Discussion on Peer Review | CS Nesar Ahmad, Vice-President, ICSI & Chairman, Peer Review Board, ICSI                  | CS Ranjeet Pandey, CS Deepak Kukreja, Ms. Ashu Gupta, CS Manish Gupta, CS Avtar Singh and members |
| 18.11.2011      | Study Circle Meeting on Analysis of New Cost Accounting Record Rules and Cost Audit Report Rules | Mr. D.P. Singh, Cost Accountant                                                     | CS NPS Chawla, CS Avtar Singh and other members                                                 |
| 19.11.2011      | One Day Program on on Repositioning the Profession in Changing Business Environment | **Chief Guest:** Mr. Dilip Raosaheb Deshmukh (Hon'ble Chairman, Company Law Board), Guest of Honour: Dr. Sandeep Srivastava (Commissioner, Customs, Central Excise & Service Tax, Noida)  
**Guest Speakers:** Mr. Rajesh Doshi (Director - Compliance and Secretarial, Religare Enterprises Ltd.), Dr Ashok Haldia (Whole Time Director, PTC Financial Services Ltd.), Mr. Murli Balasubramaniam (Sr. Vice-President-Legal & Company Secretary, Nestle India Ltd.), Mr. Ajit Yadav (President & Group Legal Counsel, Vedanta Group), Mr. Vikas Gupta (Advocate, Pathways Legal Consultants), CS N J N Vazifdar (Past President, ICSI), CS Lalit Jain (Sr Vice-President & Company Secretary, Jubilant Life Sciences Ltd.) and Mr Nivedan Sahani, (Vice-President, Tata Tele Enterprise Services) | CS Ranjeet Pandey, CS Harish K Vaid, CSP. K. Mittal, CS Rajiv Bajaj, CS Manish Gupta, CS Vineet K Chaudhary, CS A.K. Gurnani managing committee members of Noida Chapter and members |
NEWS FROM NIRC

<table>
<thead>
<tr>
<th>Day, Date, Time</th>
<th>Program Details</th>
<th>Chief Guest Speaker</th>
<th>Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.11.2011</td>
<td>East Zone Study Group Meeting – on Service Tax Valuation Rules</td>
<td>CS Amit Chaurasia</td>
<td>CS Anand Khandelwal and members</td>
</tr>
<tr>
<td>26.11.2011</td>
<td>West Zone Study Group Meeting on Concept of take over Code</td>
<td>CS Ranjeet Pandey Chairman, NIRC</td>
<td>CS Pradeep Debnath and members</td>
</tr>
<tr>
<td>27.11.2011</td>
<td>North Zone Study Group Meeting on Practical Aspects of Copy Rights, Trade Marks, and Design Law</td>
<td>Mr. Vikas Mishra, Advocate</td>
<td>CS Chetan Gupta, CS Nitesh Sinha and members</td>
</tr>
<tr>
<td>2.12.2011</td>
<td>South Zone Study Group Meeting on An Overview of Takeover Code</td>
<td>CS Ranjeet Pandey Chairman, NIRC</td>
<td>CS Navneet Arora, CS Devesh Vasish and members</td>
</tr>
</tbody>
</table>

Investor Awareness Programs

| 2.11.2011 | Investor Awareness Program on Capital Market and Mutual Funds at Lakshmibai College, Ashok Vihar, Delhi | Dr. Veena Gautam (Vice Principal, Lakshmibai College), Dr. Gayatri Verma (HOD, Commerce Association, Lakshmibai College), CS J K Bareja, (Associate Professor, University of Delhi) & CS G P Madaan, Past Chairman, NIRC-ICSI | Faculty of the college and Students |
| 21.11.2011 | Investor Awareness Program on Investment Opportunities in Capital Market at S P Jain Auditorium, South Campus, New Delhi | CS G P Madaan, Past Chairman, NIRC-ICSI, Prof. V K Kaul (HOD of Department of Business Economics, South Campus), CS J K Bareja, (Associate Professor, University of Delhi) | Mr. TR Mehta, faculty of the college and Students |

Career Awareness Programs

NIRC organised 28 Career Awareness Programs during the month of November, 2011.
CS J K Bareja, CS G P Madaan, CS Ravi Sharma, CS Pradeep Debnath, CS Shiv Kumar Tyagi, CS Sangeeta Harpalani, CS Anupam Jha, CS Supriya Thukral, CS Ruhi Bhasin, Mr T R Mehta, Mr Animesh Srivastava and Mr Himanshu Sharma addressed in the Career Awareness Programs.

The students were apprised about the mode of registration in the course, syllabus, structure of the course and also the avenues available after completion of the Company Secretaryship Course both in employment and in practice. Pamphlets of Career in Company Secretaryship Course were distributed to the students.
## News from NIRC

### For Students

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Details</th>
<th>Participants</th>
<th>Organizer(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9.11.2011</td>
<td>34th Student Induction Program (SIP)</td>
<td>Members of the Institute and other professionals</td>
<td>CS Avtar Singh &amp; Students of the Institute</td>
</tr>
<tr>
<td>11-18.11.2011</td>
<td>35th Student Induction Program (SIP)</td>
<td>Members of the Institute and other professionals</td>
<td>CS Avtar Singh &amp; Students of the Institute</td>
</tr>
<tr>
<td>21-28.11.2011</td>
<td>36th Student Induction Program (SIP)</td>
<td>Members of the Institute and other professionals</td>
<td>CS Avtar Singh &amp; Students of the Institute</td>
</tr>
<tr>
<td>22.11.2011</td>
<td>Valedictory Function of 157th Management Skills Orientation Program</td>
<td>Members of the Institute and other professionals</td>
<td>CS Ranjeet Pandey, CS Deepak Kukreja, CS Vineet K Chaudhary, CS Manish Gupta, CS Avtar Singh and CS Alka Arora</td>
</tr>
<tr>
<td>23-28.11.2011</td>
<td>85th Training Orientation Program (TOP)</td>
<td>Members of the Institute and other professionals</td>
<td>CS Avtar Singh and students</td>
</tr>
<tr>
<td>29.11.2011</td>
<td>Inauguration of 158th Management Skills Orientation Program</td>
<td>Members of the Institute and other professionals</td>
<td>CS Ranjeet Pandey, CS Deepak Kukreja, CS Vineet K Chaudhary, CS Manish Gupta, CS Avtar Singh and CS Alka Arora</td>
</tr>
</tbody>
</table>

### Other Software Products

- **FIXED ASSETS REGISTER & DEPRECIATION**
  - Calculate Depreciation as per Companies Act & Income Tax Act at a time & Update Fixed Assets Register without efforts.
  - Annexure to Balance Sheet as per Schedule VI.
  - Depreciation Chart as per Tax Audit Report.
  - Reports under Companies Act and Income Tax Act.

- **e-TDS/TCS Return**
  - User Friendly software.
  - Demo Copy is also available on our Website at: www.pathdarshi.com
  - Ph: 91-9313832211/966543913, e-mail: sales@pathdarshi.com
**NEWS FROM CHAPTERS**

<table>
<thead>
<tr>
<th>Name of Chapter</th>
<th>Date of Program/Meeting</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jaipur</td>
<td>13.10.2011 to 20.10.2011</td>
<td>Student Induction Program</td>
</tr>
<tr>
<td></td>
<td>12.10.2011 to 20.10.2011</td>
<td>Executive Development Programme</td>
</tr>
<tr>
<td></td>
<td>02.11.2011 to 10.11.2011</td>
<td>Executive Development Programme</td>
</tr>
<tr>
<td></td>
<td>17.10.2011</td>
<td>Career Awareness Programme</td>
</tr>
<tr>
<td></td>
<td>03.11.2011-10.11.2011</td>
<td>Student Induction Program</td>
</tr>
<tr>
<td></td>
<td>05.11.2011</td>
<td>Study Circle Meeting</td>
</tr>
<tr>
<td></td>
<td>05.11.2011</td>
<td>Diwali Sneh Milan</td>
</tr>
<tr>
<td></td>
<td>06.11.11</td>
<td>Investor Awareness Program at Ajmer</td>
</tr>
<tr>
<td>Jodhpur</td>
<td>21-27.11.2011</td>
<td>Student Induction Program</td>
</tr>
<tr>
<td>Kota</td>
<td>08.11.2011 to 14.11.2011</td>
<td>4th Student Induction Program</td>
</tr>
<tr>
<td>Lucknow</td>
<td>12.11.2011</td>
<td>Study Circle Meeting on Public Deposit</td>
</tr>
<tr>
<td></td>
<td>14.11.2011 to 20.11.2011</td>
<td>15th Student Induction Program</td>
</tr>
<tr>
<td></td>
<td>19.11.2011</td>
<td>Webcasted Seminar on Repositioning the Profession in Changing Business Environment</td>
</tr>
<tr>
<td>Shimla</td>
<td>31-10.2011 to 6.11.2011</td>
<td>Student Induction Program</td>
</tr>
</tbody>
</table>

**COMPANY SECRETARIES BENEVOLENT FUND**

Members enrolled as Life Members of The Company Secretaries Benevolent Fund from Northern Region from 21.10.2011 to 20.11.2011

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name</th>
<th>Mem. No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Akshit Gupta</td>
<td>ACS - 22963</td>
</tr>
<tr>
<td>2</td>
<td>Ms. Ruchi Agarwal</td>
<td>ACS - 23384</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Biswa Ranjan Mishra</td>
<td>FCS - 5793</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Manoj Agrawal</td>
<td>FCS - 4456</td>
</tr>
<tr>
<td>5</td>
<td>Mr. Mohit Chaurasia</td>
<td>ACS - 16756</td>
</tr>
<tr>
<td>6</td>
<td>Mr. Tarun Agrawal</td>
<td>ACS - 18695</td>
</tr>
<tr>
<td>7</td>
<td>Mr. Rajesh Saini</td>
<td>ACS - 15497</td>
</tr>
<tr>
<td>8</td>
<td>Mr. Manoranjan Rai</td>
<td>ACS - 28447</td>
</tr>
<tr>
<td>9</td>
<td>Mr. Rajeev Kumar Jain</td>
<td>ACS - 17293</td>
</tr>
<tr>
<td>10</td>
<td>Mr. Krishan Kumar Grover</td>
<td>ACS - 11429</td>
</tr>
<tr>
<td>11</td>
<td>Ms. Shweta Gupta</td>
<td>ACS - 27076</td>
</tr>
<tr>
<td>12</td>
<td>Mr. Naveen Kumar</td>
<td>ACS - 24761</td>
</tr>
<tr>
<td>13</td>
<td>Mr. Niraj Nayan Kumar</td>
<td>ACS - 29101</td>
</tr>
<tr>
<td>14</td>
<td>Mr. M R Bothra</td>
<td>ACS - 9260</td>
</tr>
</tbody>
</table>

**HALF YEARLY CORPORATE MEMBERSHIP SCHEME**

(1.10.2011 TO 31.3.2012)

In order to provide an opportunity to members to join Corporate Membership Scheme of NIRC who could not join the scheme earlier, a half yearly scheme for the period from 1.10. 2011 to 31.3.2012 has been launched. The Interested members may join the half yearly corporate members scheme by making a payment of Rs. 6000/- (rupess six thousand only) by cheque drawn in favour of NIRC of ICSI. The members shall be eligible to attend all the programs (except workshops & residential Programs) till March 31, 2012 free of cost.

*For details visit: www.icsi.edu/niro*
ATTENTION
MEMBERS/STUDENTS

The details of Members Programs like Seminar, Conferences, etc. and soft copies of NIRC-ICSI Newsletters & Students’ programs viz EDP, SIP, PDP, MSOP, Students Activities, such as viz Moot Court Competitions, Elocution Competition, Essay writing, Company Law Quiz and Student Conferences are regularly updated on the NIRC Portal at ICSI website.

To get updated information, Members & Students are requested to visit our following website regularly.

www.icsi.edu/niro
PCS Committee cordially invites at

MEETING OF COMPANY SECRETARIES IN PRACTICE

on

Analysis of Balance Sheet

on Monday, the 19th December, 2011 at 6.15 PM

at ICSI-NIRC Auditorium, 4, Prasad Nagar, Institutional Area, New Delhi

(TEA : 6:00 PM)

LIGHTER SIDE OF THE PROFESSION

“Paramjeet Singh, what happened to the Dinner Meet you had with your Business Associate for Resolving your Old Business Dispute?”

“The Deadlock Remained.”

“Why?”

“As the destiny would have it, due to mistake on our part, we had taken our wives along and both of them wanted only to speak and expected the other one only to listen.”

*************

“Why are you so perturb today?”

“Today being the first day after the resignation of Paramjeet Singh.”

“Are you very much attached with him and thus missing him?”

“No, I am missing him because now onwards I will not be able to blame him for all the mess-up in my Department.”

– PARAMJEET SINGH, FCS
NIRC-ICSI Newsletter

Forthcoming Programs

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

is organising

NEW YEAR EVE CELEBRATION & DINNER
for its Members and their Families

“Let’s meet at the magnificent Garden of Five Senses to bid adieu to the era gone and to welcome the new era with grandeur and gaiety. Let’s kick start this beginning together with alluring spirit and sparkling enthusiasm.”

Day & Date : Friday, the 30th December, 2011
Time : 7.30 PM Onwards

Venue: Garden of Five Senses, Said-ul-Ajaib, M.B. Road,
South of Saket, New Delhi

Contribution:
Corporate Members of NIRC : Free
Other Members/Spouse/Guests/Children: Rs. 750/- per person
Children below 5 years : Nil

Kindly confirm your participation to the Deputy Director, NIRC-ICSI,
E-mail : eoniro@icsi.edu Tel : 011-49343000

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

cordially invites at

Mega Study Circle Meeting

on

DISCOVER THE HIDDEN POWER

By
Mr. P.S. RATHORE
Author & Motivational Speaker

on Friday, the 23rd December, 2011 at 6.00 PM
at New Delhi YMCA Tourist Hostel Auditorium
1, Jai Singh Road, New Delhi - 110 001 (NO PARTICIPATION FEE)
One Day Seminar

(Theme will be informed through email)

on

Saturday, the 24th December, 2011

(Registration starts at 9.30 AM)

at

Hotel Le-Meridien, Janpath, New Delhi.

Fee:

Rs.2,000/- per delegate; FREE for Corporate Members of NIRC

Registration:

In order to make necessary arrangements, Members are requested to enrol well in advance with Deputy Director, NIRC-ICSI, 4, Prasad Nagar Institutional Area, New Delhi.

The cheque for delegate fee may please be drawn in favour of NIRC of ICSI payable at New Delhi.

Tel.:+91-11-49343000, Fax: 25722662 E-mail: eoniro@icsi.edu

(Credit Hours will be given to only those members who joins the programs upto 11.00 AM.
Members are required to mark the attendance both at the beginning & conclusion of the program)

---

DELHI STUDY GROUPS FORTHCOMING MEETINGS

<table>
<thead>
<tr>
<th>Day, Date &amp; Time</th>
<th>Program</th>
<th>Program Credit Hours</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saturday 17.12.2011, 6.00 PM</td>
<td><strong>EAST</strong> Zone Study Group Meeting (Topic will be informed through e-mail)</td>
<td>ONE</td>
<td>Mother Teresa Public School C-Block, Preet Vihar, Delhi</td>
</tr>
<tr>
<td>Saturday 17.12.2011, 6.00 PM</td>
<td><strong>WEST</strong> Zone Study Group Meeting on An Overview of GST</td>
<td>ONE</td>
<td>CMC Ltd. Community Centre C-58, 6th Floor, Behind Janak Cinema Janak Puri New Delhi</td>
</tr>
<tr>
<td>Sunday 25.12.2011, 5.00 PM</td>
<td><strong>NORTH</strong> Zone Study Group Meeting (Topic will be informed through e-mail)</td>
<td>ONE</td>
<td>Hero Mind Mine, 3rd Floor, Building No. FD-4, (Near Pitampura Metro Station), New Delhi</td>
</tr>
</tbody>
</table>

---
Inauguration of 158th Management Skills Orientation Program (29.11.2011): Group photograph of participants along with Mr. M.M. Juneja (ROC, Delhi & Haryana, MCA), CS Ranjeet Pandey, CS Deepak Kukreja, CS Vineet K. Chaudhary, CS Manish Gupta, CS Avtar Singh & CS Alka Arora.

Valedictory Function of 157th Management Skills Orientation Program (22.11.2011): CS Alka Arora addressing. Others from L to R CS Vineet K. Chaudhary, CS Ranjeet Pandey, Dr. B.S. Bansal, Chairman and Managing Director, RG Stone Hospital, CS Sanjay Grover, CS Deepak Kukreja, CS Manish Gupta, CS Avtar Singh and best project report/best participants standing.

Investor Awareness Program on Investment Opportunities in Capital Market (21.11.2011): CS G.P. Madaan addressing. Others from L to R CS J. K. Bareja, Prof. VK Kaul (HOD of Department of Business Economics, South Campus) and Mr. T.R. Mehta.

Punjab State Conference on Corporate Growth: Creating Opportunities through Professional Value Addition (5.11.2011): First Technical Session - Mr. G.S. Chawla, Director, Master Trust Ltd. addressing. Others from L to R: CS Rajiv Bajaj, CS NPS Chawla, CS Rachna Sial, Associate Vice-President, Investment Banking, Almondz Global Securities Ltd. & CS Ratti Ram Mainh

Punjab State Conference on Corporate Growth: Creating Opportunities through Professional Value Addition (5.11.2011): Second Technical Session - CS Hitender Mehta, Partner, Vaish Associates addressing. Others from L to R: CS Manish Gupta, CS Rashmi Sharma, Mr. Kanwerinder Khanna of HSBC, Mr. Rajive Chawla, President, FSIA & Managing Director, Jairaj Ancillaries Pvt. Ltd., Mr. Gaurav Ahuja of HSBC and CS Rajeev Bhambri

Punjab State Conference on Corporate Growth: Creating Opportunities through Professional Value Addition (5.11.2011): Third Technical Session - From L to R: CS Bhupesh Gupta, CS Satwinder Singh, Partner, Vaish Associates, CS Nesar Ahmad, Vice-President, ICSI, Mr. G.R. Bhatia, Partner, Luthra & Luthra and CS Sanjay Aggarwal

Punjab State Conference on Corporate Growth: Creating Opportunities through Professional Value Addition (5.11.2011): Fourth Technical Session - Mr. Anupam Malik, Joint Labour Commissioner, Haryana addressing. Others from L to R: CS Shyam Agrawal, CS Ranjeet Pandey and CS Sushil Sharma

Disclaimer: While every effort has been made and care has been taken in preparation of this Newsletter and to ensure its accuracy at the time of publication, NIRC of ICSI assumes no responsibility for any errors which, despite all precautions, may creep in. It is suggested that the readers should cross check all the facts and the relevant law position before acting on any matter.

© The Northern India Regional Council of the Institute of Company Secretaries of India, 2011

Printed & Published by: T.R. Mehta for and on behalf of Northern India Regional Council of the Institute of Company Secretaries of India 4, Prasad Nagar Institutional Area, New Delhi-110005; E-mail: niro@icsi.edu; Phones: 49343000; Fax: 25722662; Printed at: CompuData Services, 42 DSIDC Shed, Scheme-I, Phase-II, Okhla Indl. Complex, New Delhi-20; Published at: NIRC-ICSI, 4, Prasad Nagar Instl. Area, New Delhi; Chief Editor: Ranjeet Pandey; Editor: Vineet K Chaudhary