



**“IF YOU WANT TO CHANGE THE WORLD, PICK UP YOUR PEN AND
WRITE”**

- Martin Luther

ICSI Hooghly Chapter *eNewsletter*

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MANAGING COMMITTEE MEMBERS (2023) (HOOGHLY CHAPTER OF EIRC OF THE ICSI)

CS Altab Uddin Kazi (Chairman)
 CS Mayank Sharma (Vice-Chairman)
 CS Chandan Gupta (Secretary)
 CS Krishna Sharma (Treasurer)
 CS Manohar Mishra (Member)
 CS Anita Sarswat (Member)
 CS Mukesh Kumar Shaw (Member)
 CS Anuj Saraswat (Ex-Officio Member)

EDITORIAL BOARD (2023)

CS Altab Uddin Kazi
 CS Mayank Sharma
 CS Krishna Sharma
 CS Neha Jain
 CS Rahul Harsh
 CS Rahul Goel
 CS Subrata Bhattacharjee



DISCLAIMER

Views expressed by the author or contents provided by the contributors to the e-newsletter are their own and ICSI - Hooghly Chapter does not own any responsibility. The Managing Committee is not in any way responsible for the result of any action taken on the basis of contents published in the e-newsletter.

FOR YOUR KIND ATTENTION

Please update your contact details with us to communicate you about various programs organized by Hooghly Chapter. Please send your details to hooghly@icsi.edu. In case you are not receiving a copy of the same, please provide us your details, so as to serve you better.

Members and students are invited to contribute articles on topics of interest to them.



From the Chairman

‘Choose a job you love and you will never have to work a day in your life.’ — Confucius.’

Dear Professional Colleagues and Students,

Greetings from the Hooghly Chapter of EIRC of ICSI!

My heartiest congratulations to all of you on this momentous occasion of the 55th foundation Day of our beloved Institute. On October 4, 1980, the Company Secretaryship Profession which had been in existence since long was granted autonomy through the Company Secretaries Act, 1980.

A captain cannot win the world cup trophy for his country without the contribution from each and every player. Same applies here, the progress of Hooghly Chapter for the year 2023 is not only because of me, credit for betterment of the Chapter goes to each and every team members including Office Incharge and other Office Staffs. I am delighted to have such a wonderful Managing Committee Team including our Ex-Officio Member with whole hearted cooperation and support and have a common zeal to make the Chapter as most recognised and deserving in EIRC.

In order to keep the professionals and students updated about the latest developments and changes, a series of programmes being organised by the Hooghly Chapter of EIRC of ICSI and I am quite excited to share all of those glimpses as a part of this e-Newsletter.

It is my privilege to present the e-Newsletter of the Hooghly Chapter of ICSI for the third quarter. It feels great to serve our Hooghly Chapter of ICSI and to deliver the best services by every possible way. Hooghly Chapter of ICSI has achieved numerous achievements and milestones during this quarter and has also taken many initiatives, which includes:

- Organised various programmes for students during the Student’s month – July, 2023.
- Launched Half Yearly Membership Scheme (HYMS).
- Achieved highest number of AMS and HYMS Registration in the history of Hooghly Chapter. i.e., 109 Members.
- Organised Mega Student’s Conference for the students of ICSI

- Organised School Teacher’s Conference and College Teacher’s Conference on 6th and 8th September, 2023 respectively.

I would like to take the opportunity to express my sincere thanks and gratitude to the Editorial Board for their endeavour with regard to publishing this e-Newsletter. I am grateful enough for the support received from our Members, Students and stakeholders for their contributions by way of articles in this e-Newsletter.

I would like to convey one message to all the readers that whatever you do, do it with happiness, you will definitely do it well. I extend my best wishes to all the readers of the e-Newsletter.

I request each and every member of ICSI to become a CSBF Member. **It will cost you a one-time subscription fee of just Rs. 10,000/-, but your family members in your absence will get huge benefits due to it.** Subscription fee will increase soon, so better to enrol before it increases. CSBF is a collective effort towards extending the much needed financial support to the community of Company Secretaries in times of distress. **Since life has no guarantee, I would request you all to enrol yourselves into CSBF** to help raising the corpus for those families in distress. I appeal to all the members, who have not yet enrolled for the CSBF, to become a proud member of the Benevolent Fund without any further delay.

PROGRAMMES/ SEMINARS FOR THE MEMBERS:

- On 7th July, 2023, (Faculty Induction Programme) at the Hooghly Chapter Premises by me.
- On 20th July, 2023 (Placement Drive) organised at the Darshna Banquet, Rishra.
- On 15th August, 2023, Independence Day Celebration being done.
- On 20th August, 2023 (Full Day Seminar) held at Sarat Sadan, Howrah by CS Mamta Binani, Past President, ICSI, CS Anjan Kumar Roy, Past Chairman, ICSI-EIRC and CS Anuj Saraswat, Secretary, ICSI-EIRC and Ex-Officio Member of Hooghly Chapter of EIRC of ICSI.

INITIATIVES FOR THE STUDENTS:

- ❖ **Class Room Teaching for CSEET:** Your Chapter has commenced 13th Batch of Class Room Teaching for CSEET with eminent faculties for November 2023 Examinations.
- ❖ **Online Oral Tutition Centre (OTC) Teaching for Executive Students:** Your Chapter has actually commenced 6th Batch of OTC for Executive Students with eminent faculties for December 2023 Examinations. (i.e., from July 8, 2023), where 34 students taken admission.
- ❖ **Students Programme held for Students**
 - On 1st July, 2023, Van Mahotsav at Xavier's English School, Konnagar.
 - On 3rd July, 2023, a session on Life Skills at the Hooghly Chapter Premises by CS Abhishek Agarwal.
 - On 4th July, 2023, Power Point Presentation Competition being organised.
 - On 5th July, 2023, Video Byte Competition being organised.
 - On 8th July, 2023, activation of Online Classroom Teaching being done.
 - On 10th July, 2023, a session on Soft Skill Development Programme at the Hooghly Chapter Premises by CS Manish Kumar Goenka.
 - On 11th July, 2023, a session on IT Enabled Solutions at the Hooghly Chapter Premises by CS Chandan Gupta, Secretary of Hooghly Chapter of EIRC of ICSI.
 - On 14th July, 2023, Declamation Competition being organised at the Hooghly Chapter Premises, which was judged by CS Arya Shaw.
 - On 17th July, 2023, a session on Mock Interview for Management Training at the Hooghly Chapter Premises by CS Manohar Mishra, Managing Committee Member of Hooghly Chapter of EIRC of ICSI.
 - On 18th July, 2023, Moot Court Competition being organised at the Hooghly Chapter Premises, which was judged by CS Madhuri Pandey and CS Ankita Dutta.
 - On 19th July, 2023, Samadhan Diwas (Zero Grievance Day) being organised at the Hooghly Chapter Premises. Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI solved all the grievances of the students.
 - On 20th July, 2023, a Placement Drive being organised at the Darshna Banquet, Rishra.
 - On 21st July, 2023, Article Writing Competition being organised.

- On 24th July, 2023, Training Induction Programme being organised at the Hooghly Chapter Premises by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of EIRC of ICSI.
- On 26th July, 2023, Poster Making Competition being organised.
- On 27th July, 2023, Swacch Bharat Abhiyan being organised.
- On 28th July, 2023, Sports Day being celebrated and as a part of it, Marathon being organised.
- On 29th July, 2023, Student Registration Day being celebrated as a part of Student's Month.
- On 30th July, 2023, Mega Students Conference being celebrated at the Darshna Banquet, Rishra. Various competitions being held for the students which were judged by multiple Judges.
- On 31st July, 2023, Painting Competition being organised.
- On 15th August, 2023, Independence Day Celebration being done.
- On 9th September, 2023, live streaming of 'Lakshya 2.0' at the Hooghly Chapter premises - the programme organised by EIRC of ICSI.

❖ **Career Awareness Programmes (CAP):** In order to make the students aware of our profession, your Chapter has been giving utmost efforts to conduct Career Awareness Programmes (CAP). I personally devoting most of my time in it since students registration has fallen drastically. In order to bring up the numbers of student's registration, we are regularly conducting CAP in various schools and colleges. We have got huge response from the teachers and the management as well. **The CAP which we are doing right now, the result of it will be clearly seen after 2-3 years from now.** We had organized CAP at:

- Rishra Vidyapith, Rishra by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of ICSI on 04-07-2023.
- Khamarpara Jagriti Hindi Vidyamandir, Belur by CS Manohar Mishra, Managing Committee Member of Hooghly Chapter of ICSI on 10-07-2023.
- Chapdani Arya Vidyapith, Baidyabati, by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI on 12-07-2023.
- Xavier's English School, Konnagar by CS Anita Sarswat, Managing Committee Member of Hooghly Chapter of ICSI on 13-07-2023.
- Ratnakar North Point School by CS Garima Gangwal and me on 14-07-2023.
- Howrah Jogesh Chandra Girl's School, Howrah by me on 17-07-2023.
- Vikram Vidyalaya (Boys), Howrah by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of ICSI on 18-07-2023.
- Salkia Vikram Vidyalaya, Salkia by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of ICSI on 19-07-2023.
- Shyam Sundar Children High School, Bhadreswar by CS Amrita Bhattacharya on 21-07-2023.
- Bhadreswar Dharmatala Girls High School, Bhadreswar by CS Amrita Bhattacharya on 21-07-2023.
- Tarakeswar High School by CS Anand Malakar on 08-08-2023.
- Shree Jain Vidyalaya, Howrah by CS Arya Shaw & CS Garima Gangwal on 09-08-2023.
- Howrah Hindi High School, Salkia by CS Abhishek Agarwal on 11-08-2023.
- Howrah Akshaya Sikshayatan, Howrah by CS Abhishek Agarwal on 11-08-2023.

- Durga Charan Rakshit Banga Vidyalaya by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI on 11-08-2023.
- Shibpur S.S.P.S Vidyalaya by me on 16-08-2023.
- Janata Adarsh Vidyalaya for Boys by CS Sweta Patwari and me on 21-08-2023.
- Janata Adarsh Vidyalaya for Girls by CS Sweta Patwari and me on 21-08-2023.
- Telinipara Bhadreswar High School, Bhadreswar by CS Sweta Patwari on 23-08-2023.
- Digra Mullickhati High School, Bhadreswar by CS Sweta Patwari on 23-08-2023.
- Dankuni Patha Bhavan School, Dankuni by me on 24-08-2023.
- Baidyabati Charusila Bose Balika Vidyalaya, Baidyabati by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI on 04-09-2023.
- Barijhaati Girls High School, Dankuni by me on 11-09-2023.
- Konnagar High School, Konnagar by me on 13-09-2023.
- Shrirampur Mahesh High School, Shrirampur by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI on 15-09-2023.
- Ghutiabazar Mallickbati Pathsala by Mr. Chandra Nath Kundu, Office Incharge of Hooghly Chapter of ICSI on 19-09-2023.
- Garalgacha Girls High School by CS Anand Malakar on 20-09-2023.
- Mahesh Sri Ramkrishna Ashram Vidyalaya, Rishra by me on 21-09-2023.
- Vivekananda Maha Vidyalaya, Haripal by me on 27-09-2023.
- Vikram Vidyalaya Girls Howrah Maidan Branch, Howrah by CS Sweta Agarwal on 29-09-2023.
- Bejoy Narayan (B N) College, Khanyan by CS Abhishek Agarwal on 29-09-2023.

❖ **Teacher's Conference:** In order to make the students aware of our profession, first of all, teachers of their schools and colleges should know about the CS profession so that they can guide their students about making decision of which profession to choose. For making the teachers aware about our CS profession we celebrated School's Teacher's Conference and College Teacher's Conference where teachers from various schools and colleges participated and made both the programme, a grand success. We organized the below mentioned Teacher's Conference:

- **School Teacher's Conference** on 06-09-2023 at the Darshna Banquet, Rishra. CS Anuj Saraswat, Secretary, ICSI-EIRC and Ex-Officio Member of Hooghly Chapter of EIRC of ICSI, CS Anushka Damani and CS Anand Malakar took the sessions.
- **College Teacher's Conference** on 08-09-2023 at the Darshna Banquet, Rishra. CS Abhishek Agarwal, CS Dipika Sahu and CS Neha Jain took the sessions.

❖ **One Day Orientation Programmes (ODOP):** Your Chapter had organised the following One Day Orientation Programmes:

- 45th One Day Orientation Programme at Chapter premises on 15-07-2023 by CS Rahul Harsh, CS Anand Malakar and me.

- 46th One Day Orientation Programme at Chapter premises on 10-08-2023 by CS Anushka Damani and me.
- 47th One Day Orientation Programme organized by the Chapter on 29-08-2023 by CS Mayank Sharma, Vice Chairman of Hooghly Chapter of EIRC of ICSI, CS Sweta Agarwal, CS Dipika Sahu and me.
- 48th One Day Orientation Programme organized by the Chapter on 21-09-2023 by CS Abhishek Agarwal, CS Garima Gangwal and me.

❖ **Company Secretaries Benevolent Fund (CSBF)**



The Company Secretaries Benevolent Fund (CSBF) is a Society registered with the Societies Registration Act, 1860 and recognized under Section 12A of the Income Tax Act, 1961. The CSBF was established in the year 1976 by the Institute of Company Secretaries of India (ICSI) (a Statutory Body under an Act of Parliament), for creating a security umbrella for the Company Secretaries and/or their dependent family members in their hour of need. The donation to the CSBF qualifies for the deduction under Section 80G of the Income Tax Act, 1961.

The members of ICSI are eligible to become members of the CSBF on payment of one time subscription fee (at present Rs. 10,000/-). A unique number known as Life Membership number is allotted on admission to CSBF. Presently, the financial assistance provided by the CSBF is as under:

Sl. No.	Amount	Reason
1.	Rs. 10 Lakh	In case of unfortunate demise of a Company Secretary upto the age of 60 years
2.	Rs. 3 Lakh	In case of unfortunate demise of a Company Secretary above the age of 60 years
3.	Rs. 50,000	One-time per child (upto two children) for education of minor children of a deceased Company Secretary upto the age of 60 years
4.	Upto Rs. 75,000	For reimbursement of medical expenses incurred on self / declared dependents in deserving cases

HOW TO JOIN:

By making an online application using the link <https://stimulate.icsi.edu/> along with one time subscription fee of Rs.10,000/-

I also look forward to your views and suggestions on any matters which you feel may strengthen the profession and improve the quality of services for the members and students.

Lastly I would like to conclude my speech with a famous quote of Swami Vivekananda, "Everything is easy when you are busy but nothing is easy when you are lazy!"

"A writer only begins a book. A reader finishes it." With these words by Samuel Johnson, I wish you all Happy Reading.

“सत्यं वद । धर्मं चर ।”

With best Regards,

CS Altab Uddin Kazi
Chairman,
Hooghly Chapter of EIRC of ICSI



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An idea about the process of appointment of Independent Director

Section 149 of the Companies Act, 2013 along with relevant Rules of the Companies (Appointment & Qualification of Directors) Rules, 2014 provides that certain prescribed companies must appoint independent directors and also states about number of such independent directors. Section 149(4) of the Act states about the mandatory appointment of the independent directors in such companies whereas Rule 4 of Companies (Appointment & Qualification of Directors) Rules, 2014 specifies about number of such directors in the prescribed classes or classes of companies and Rule 5 about qualifications of independent director. The process of appointment of an independent director is summarised as under: -

1. **Director Identification Number (DIN):** As per Section 152 of the Act, obtaining a DIN is mandatory to become a director in a company. It is a unique identification number allotted to an individual by the Central Government who intends to be appointed as a director. Rule 9 of the Companies (Appointment & Qualification of Directors) Rules, 2014 states that every applicant who intends to be appointed as director of an existing company is required to make an application electronically in Form DIR – 3 to the Central Government for allotment of DIN along with prescribed fee. DIN means an identification number allotted by the Central Government to any individual, intending to be appointed as director, for the purpose of his identification as a director of the company.

2. **Data Bank of Independent Directors:** Section 150 of the Act read with Rule 6 of Companies (Appointment & Qualification of Directors) Rules, 2014 deals with the manner of selection of independent directors and maintenance of data bank of independent directors. Any individual who intends to be appointed as independent director in a company is required to register his name in the data bank of independent directors maintained by the Indian Institute of Corporate Affairs. An independent director may be selected by appointing company from such data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent director. According to Rule 3 of the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019, the Indian Institute of Corporate Affairs (IICA) shall create and maintain a data bank of persons willing and eligible to be appointed as independent directors, and such data bank shall be online data bank which shall be placed on the website of the Institute.

3. **Role of Nomination and Remuneration Committee:** According to Section 178(3) of the Act, the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Committee should also follow the Listing Regulations. The Committee should prepare a description of the role and capabilities required of an independent director and recommend the person to the Board accordingly.

4. **Selection, Approval and Appointment:** The Board of Directors may select an independent director from the data bank. However, it is responsibility of the company making such appointment to exercise due diligence before selecting a person from data bank. As per Section 150(2) of the Act, approval of the shareholders in General Meeting is required for the appointment of an independent director. The explanatory statement annexed to the Notice of the general meeting should indicate the justification for choosing the appointee for appointment as independent director. Secretarial Standard on meetings of the Board of Directors (SS – 1) and Secretarial Standard on General Meetings (SS – 2) are to be followed. Section 152(5) of the Act provides that the explanatory statement should include a statement that in the opinion of the Board, the proposed independent director fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder for such an appointment. Further, it is to be stated that the proposed independent director is independent of the management. According to Listing Regulations, the appointment of an independent director of a listed company shall be subject to the approval of shareholders by way of a special resolution.

5. **Profile of an independent director:** The profile of the proposed independent director should be attached to the notice in the form of explanatory statement. It will enable the members of the company to make appropriate decision regarding appointment of the independent director. Apart from credentials, the profile of the proposed independent director should also express some other important details which make the person independent. The profile should be uploaded on the website of the company.

6. **Consent to act as Director:** Section 152(5) of the Act read with Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 deals with the matter of consent to act as director. Except in case of certain Government Companies, every person appointed to hold the office of a director in a company is required to furnish to the company his/her consent in writing to act as such in Form DIR 2.

7. **Disclosure of interest by director:** According to Section 184 of the Act read with Rule 9 of Companies (Appointment & Qualification of Directors) Rules, 2014, every director should disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in writing in Form MBP1. Some other disclosures should also be provided by a proposed independent director at the time of appointment.

8. **Issuance of Appointment Letter:** The letter of appointment to be issued to the independent director should contain the details, terms and conditions like the tenure of appointment, the expectations & tasks, the fiduciary duties & liabilities, the code of business ethics, list of

not to do actions, the remuneration details, prohibition on insider trading, insurance clause, training programmes, performance evaluation etc. It is also to be noted that the terms and conditions of the appointment of independent directors shall be open for inspection by any member at the registered office of the company during the business hours and are also to be posted on the website of the company.

9. **Record in Statutory Registers and Disclosures:** Section 170 of the Act deals with the Register of Directors and key managerial personnel and their shareholding. The appointment of independent director and other details should be recorded properly in the register as prescribed. In case of listed companies, the change of directors should be disclosed to the Stock exchanges. E-Form DIR 12 is to be filed by the company regarding appointment of independent director. As per SEBI circular, the profile of the independent director should be filed with the Stock exchanges in case of listed company as part of disclosure.

10. **Directors and Officers Insurance:** The Listing Regulations provides that specified listed companies are required to undertake Directors and Officers insurance for all their independent directors. The Board of Directors may determine the quantum and risks to be covered.

11. **Remuneration:** The independent directors are allowed to get sitting fees for participation in the Board meetings and other Committee meetings. If approved by the shareholders, they may be paid profit related commission within the permissible limit as per provisions of Section 197 of the Act. The independent directors may also be reimbursed the expenses like travelling, fooding, accommodation etc. incurred by them for participation in the meetings. According to Section 197 (5) of the Act, a director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board provided that the amount of such fees shall not exceed the amount as may be prescribed in Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The sitting fee shall not exceed one lakh rupees per meeting of the Board or Committee thereof.

Section 149(10) of the Act provides that subject to the provisions of Section 152 of the Act, an independent director can hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's Report.

Independent Directors, independent of the management, are always expected to work in the best interest of the company by using their skills, education, knowledge, expertise and resources available. Independent directors are care takers for all the stakeholders of the company like promoters, investors (shareholders), board of directors, regulators, financial institutions, employees, auditors, customers, suppliers, society etc. in maximizing their value and well-being.



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CS beyond local boundaries

Under the Company Secretaries Act, 1980, Company Secretary Course in India is officially administered by the Institute of Company Secretaries of India (ICSI). This course designed in a way that it gives students the necessary knowledge of legal affairs in the country as well as an understanding of corporate finance matters and Taxation.

Since the role of the company secretary is versatile enough to carry out functions in the field of finance, taxation, human resource and legal administration the position of a company secretary is vital for successful management of a big corporate and MNCs.

In India according to the changes in the Companies Act 2013, it is now mandatory for certain Companies to appoint a whole -time company secretary.

As per the Companies Act, 2013,

- a) Every listed company
- b) Every public company having a paid-up share capital of ten crore rupees or more.
- c) Every private company which has a paid up share capital of ten crore rupees or more shall have a whole -time company secretary.

Further to note that all above companies are required to appoint Company Secretary (CS) as Key managerial personnel (KMP).

Scope for CS abroad

The scope of company secretaries to work internationally is really wide and is increasing day by day with the increasing global demand of Governance Professional. Though, with an Indian qualification, you can also directly appointed by corporate bodies in abroad but it will be beneficial if one gets the international qualification. There are many company secretaries already working in Malaysia, Thailand, Australia, Canada, New Zealand, USA, Singapore, UK, UAE etc and the scope and opportunities is absolutely stupendous after the globalization. With the largest membership and student base of Company Secretaries, the ICSI has taken a step forward to get the Profession and Qualification its due accreditation in other countries such as the UAE, where ICSI also has its first Overseas Centre followed by Australia, Canada, Singapore, UK and USA.

Regarding CGI Course and MOU with ICSI

Chartered Membership of The Chartered Governance Institute UK & Ireland demonstrates a capability in governance and compliance that draws together many disciplines, such as strategy, finance, law, regulation and risk, and a practical understanding of the dynamics of the board and organisation, achieved through the successful completion of the qualifying programme and evidenced by experience in the governance field.

There are two levels of Chartered membership: Associate, denoted by the post-nominals ACG, and Fellow, which uses the post-nominals FCG. The post nominal letters signify active membership of The Chartered Governance Institute UK & Ireland, represented as CG (Chartered Governance). What distinguishes the grades is experience and seniority.

To become an Associate you must have successfully achieved the qualifying programme and obtain the grade of Graduate (GradCG). You will also need six years' relevant experience, which can be reduced to three years for any Graduate member with a degree or membership of another professional body. To become a Fellow, one requires eight years' work experience, out of which three years must be in a senior role, in addition to the successful achievement of the Qualifying Programme.

Chartered members can use the designations of Chartered Secretary and Chartered Governance Professional to illustrate their skills, experience and professional standing.

Full Programme overview

The programme is divided into two levels, Part One and Part Two.

Papers in Level One

1. Corporate Governance
2. Health Service Governance (alternative option)
3. Company Compliance and Administration

4. Interpreting Financial and Accounting Information
5. Company Law

Papers in Level Two

1. Development of Strategy
2. Risk Management
3. Boardroom Dynamics

For detailed syllabus you can visit - <https://www.cgi.org.uk/professional-development/chartered-governance-qualifying-programme?tabNum=2>

Entry Routes

There are six main routes into the qualifying programme:

- **The Foundation Programme entry** – Students who are not eligible to start the programme at Part One will need to take the Foundation Programme to start their journey to GradCG. This is set at Level 4 (equivalent to first year undergraduate level).
- **Part One entry** – Those with relevant education and experience will start at Part One of the qualifying programme.
- **Related Degree entry** – Law or finance graduates start at Part One and may be eligible for exemption from the law or finance module. MBA graduates start at Part One and will be assessed for other exemptions.
- **Professional entry** – Accountants or lawyers with up to five years’ professional experience start at Part One and may be eligible for exemption from two modules.
- **Fast Track Professional entry** – Accountants or lawyers with more than five years’ post-qualifying experience may only need to complete two modules.
- **MOU entry** - Members of ICSI and ICSAN may be eligible for module exemptions under our Memorandum of Understanding agreements with these organisations.

MOU Entry Routes for Member of ICSI

All Associate or Fellow members in good standing for a minimum of two (2) years of membership are eligible to be covered by this MOU.

▪ Procedure of enrollment under MOU Route

To register as a student, with The Chartered Governance Institute, under the MOU scheme, you are required to complete the online endorsement procedure. Member, who wants to join this course, will need to contact endorsing officer of ICSI for endorsement of Member Verification form. In July, 2020, the ICSI has enabled the system of online Endorsement of Member Verification under the MoU. ICSI members can access the same through their online account at the ICSI website. The ICSI will charge certain Endorsement Fees for that. The ICSI will then put forward your registration and

on receipt CGI UK will contact you for payment and provide further guidance on how you can access your online student portal MyCG and enter for your examinations.

- **Modules need to complete from the Qualifying Programme**

If you meet the criteria, you will be required to complete the following three non-exempted modules under the Chartered Governance Qualifying Programme (CGQP):

- Corporate Governance or Health Service Governance
- Company Law
- Risk Management

Cost of the Chartered Governance Qualifying Programme (CGQP)

The membership year is fixed and runs from 1st August to 31st July. To register with the Institute, you are required to pay the following fees:

(as per website of CGI UK)

One off registration fee	£90.00
Annual Subscription fee until 31st July (if you apply between 1st August – 31st January)	£157.00
Or half-year subscription fee until 31st July (if you apply between 1st February and 31st July)	£79.00
Exemption fee (4 x modules @£184.00 each)	£736.00

Exam entry/Re-sit fees are additional to the above costs. Each entry/re-sit is £184.

The study texts are also additional to the above costs. (Approx £50.00)

- **Can any student take all three examinations at one time?**

You can sit for a maximum of two exams per examination session. You must complete your Part one modules first before you are able to proceed to the Part two module. You must therefore complete the Company Law and Corporate Governance exams before you undertake the Risk management examination.

- **Examination centre**

Since November 2020 all examinations are conducted **online**.

Designations

If you upgrade to Associate you can use the post nominals ACG; Fellows can use FCG. Both are chartered grades of membership so you will also be entitled to use the designations Chartered Secretary and/or Chartered Governance Professional.

Transfer Your Membership

As a Chartered or Affiliated member, you belong to an international governance community and if you take the opportunity to live and work in another country, your membership is transferable across any of the nine divisions.

These are:

Australia, Canada, China, Malaysia, New Zealand, Singapore, Southern Africa, the UK, Republic of Ireland and Associated Territories and Zimbabwe.

The Chartered Governance Institute UK & Ireland also has an agreement with The Institute of Company Secretaries of India, under which members of The ICSI can liaise and study with any of our nine divisions, and enjoy the same transfer rights as our members.

Chartered membership is the gold standard for company secretaries and governance professionals. It is highly valued by employers and is globally recognised as a mark that confirms you have the knowledge, skills expertise and experience for a role with significant responsibilities. It also demonstrates that you are committed to maintaining standards within the profession and you have a commitment to your own professional development. Chartered status is the benchmark for company secretaries and governance professionals. It shows that you have the knowledge, skills and experience to take on a job with significant and wide-ranging responsibilities. In larger organizations and MNCs, this may be within the secretariat or governance team or as part of a professional services team. In medium and smaller organisations, this may be in the sole governance or company secretarial role.

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COPYRIGHT

1. What is copyright?

In India, copyright is governed by the Copyright Act, 1957 (**Copyright Act**). Copyright is an exclusive right acquired by the owner or author for his original work. The term work includes literature work inclusive of computer programming, tables, compilations, databases, dramatics, musical or artistic work comprising of a painting, drawing, sculpting & engraving, a cinematographic film, sound recording and work of joint ownership.

The author of copyrighted work may reproduce, re-work or distribute copies of his work publicly. Copyright on a work confers a right on its owner or author to prevent the use of such work by any other person without his consent. The author of copyrighted work may also authorise another person to use his entire work or a substantial part of his work. For example, in case of a music video, copyright may subsist in the lyrics of the song or music composition or the entire video. The authorisation may be given for substantial part of the work (translation of audio) or reproduction of the entire work (reproduction on CDs).

2. Who is the owner of a copyright?

An author of a copyright is the creator of the work and is usually the first owner. However, in certain instances, the author of the work is not the first owner of the copyright in the absence of an agreement to the contrary. Some of these instances are provided below:

- (a) The employer of the author is the first owner of the work created by such author during his employment under a contract of service or apprenticeship.
- (b) In the case of a photograph taken, or a painting or portrait drawn, or an engraving or a cinematograph film made, for valuable consideration at the instance of any person, then such person will be the first owner of the copyright.
- (c) In case of Government work, the Government will be the first owner and in case of work made or first published by or under the direction of any public undertaking, then such public undertaking shall be the first owner of the copyright.

- (d) If the author has made the work or first published it under the direction or control of an international organization, then such international organization will be the first owner.

3. Is it necessary to register a work to claim copyright?

An author is not required to register his work to claim copyright. Copyright comes into existence as soon as the original work is created, and no additional formality is required to be completed for acquiring copyright. However, to avoid multiple claims, it is advisable to register a work for copyright. A registration of copyright serves as a prima facie evidence of ownership of the copyright work in a court of law.

4. Is use of a copyrighted work without permission of the owner of the copyright permitted?

- 4.1. A person seeking to use copyrighted work is required to obtain the consent of the owner of such copyrighted material except in case such use qualifies as fair dealing or fair use under the Copyright Act. Use of copyrighted works by a person for research, criticism or review are some instances which constitute fair dealing or fair use and therefore do not require the prior authorisation of the owner of the copyrighted work. To elaborate, students of an educational institution performing a musical work in course of the activities of such institution or storing any work in any electronic form for private or personal use will not be an infringement under the Copyright Act. Some other instances under the Copyright Act includes use of work in library, schools or in lectures, reporting of current events, activities in connection with judicial proceedings, reading or recitation of reasonable extracts from a published literary or dramatic work, etc.

- 4.2. The purpose and the manner of unauthorised use are the determining factors of fairness of the use. The objective of permitting a fair use is to strike a balance between the interests of the copyright owner and the interests of the society at large.

5. Whether an unpublished work can be registered?

The Copyright Act permits registration of both published and unpublished works (that is works which are not available to the public).

6. What is the procedure for registration of work under the Copyright Act?

- (a) Application: An applicant can make an application by filing Form XIV along with the applicable fees for registration of a copyright. Every such application should be in respect of one work only.
- (b) Notice: The applicant shall give notice of his application to every person who claims or has any interest in the subject-matter of the copyright or disputes the rights of the applicant.
- (c) Objection: Any person can raise objection to the applicant's claim within 30 days. If any objection is received, then the Registrar may conduct further enquiry.
- (d) Entry: The Registrar of Copyrights shall make necessary entry in the Register of Copyrights if no objection is received.

7. Is copyright assignable?

- 7.1 The owner of the copyright in an existing work or the prospective owner of the copyright in a future work may assign the whole or any part of the copyright to any person. Such assignment can be wholly or partially or with subject to limitations and is not required to be mandatorily registered under the Copyright Act. Further, any assignment of copyright in any future work shall take effect only after the work comes into existence. However, it should be noted that mere grant of right to publish and sell does not amount to assignment of copyright.
- 7.2 Assignment of copyright is only valid if it is in writing and signed by the assignor or his agent. Further, the assignment document should also specify the royalty payable, if any to the assignor or his legal heirs. If the period of assignment is not mentioned in writing, it will be deemed to be taken for 5 (five) years.

8. What is the validity of a copyright?

Type of material	Validity
Literary, Dramatic, Musical and Artistic work	60 years from the beginning of the calendar year which follows the year in which the author dies
In anonymous and pseudonymous works	60 years from the beginning of the calendar year which follows the year in which the work is published
Posthumous work in the case of a literary, dramatic or musical work or an engraving, in which copyright subsists at the date of the death of the author	
Cinematography Films	
Sound Recordings	
Government Work	
Works of Public Understanding	
Works of International Organisation	

9. whether, the offence under Section 63 of the Copyright Act is a cognizable offence as considered by the Trial Court or a non-cognizable offence?

The offence under Section 63 of the Copyright Act and Part II of the First Schedule of the Cr.P.C. Section 63 of the Copyright Act, the punishment provided is imprisonment for a term which shall not be less than six months but which may extend to three years and with fine.

The Supreme Court held that the offence of copyright infringement under Section 63 of the Copyright Act is a cognizable and non-bailable offence.

If the offence is punishable with imprisonment for three years and onwards but not more than seven years the offence is a cognizable offence

CASE LAWS ON COPYRIGHT MISUSE AND INFRINGEMENT

1. **Saregama India Ltd. v. Sanjay Bansal:** In this case, Saregama India, a prominent music company, filed a copyright infringement suit against Sanjay Bansal, who was selling unauthorized copies of copyrighted sound recordings. The court ruled in favor of Saregama India, ordering Bansal to pay damages and cease the unauthorized distribution of copyrighted music.
2. **Super Cassettes Industries Ltd. v. Myspace Inc.:** Super Cassettes Industries, commonly known as T-Series, filed a copyright infringement suit against Myspace Inc., a social networking website. T-Series claimed that Myspace allowed its users to upload and share copyrighted songs without obtaining proper licenses. The court held that Myspace was liable for copyright infringement and directed the platform to implement measures to prevent unauthorized sharing of copyrighted content.
3. **Yash Raj Films Pvt. Ltd. v. Sri Sai Ganesh Productions:** Yash Raj Films, a prominent film production company, filed a copyright infringement suit against Sri Sai Ganesh Productions for unauthorized copying and distribution of their movie. The court found in favor of Yash Raj Films, granting an injunction against Sri Sai Ganesh Productions and awarding damages for copyright infringement.
4. **Microsoft Corporation v. Yogesh Popat:** Microsoft Corporation took legal action against Yogesh Popat for selling pirated copies of Microsoft software. The court ruled in favor of Microsoft, holding Popat liable for copyright infringement and directing him to cease the sale of unauthorized software and pay damages.



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Insolvency Resolution Mechanisms

Insolvency and Bankruptcy Code (Amendment) Bill, 2021 proposes a separate resolution process for insolvent small businesses for an intention to initiate the proceedings with a quicker settlement process. The aforesaid bill is a pre-packaged insolvency resolution mechanism for micro, small and medium enterprises.

Brief description of the pre-packaged insolvency resolution process, how it will be implemented, how it differs from the corporate insolvency resolution process (CIRP) and what are its benefits are discussed in the following paragraph below :-

A **pre-packaged insolvency resolution mechanism** is an alternative method of providing a corporate rescue plan for MSMEs. Under this mechanism, a **debtor initiates and participates in the resolution proceedings with lenders through an informal process. Once the promoters of the company and the secured creditors agree on a resolution plan, they can approach the National Company Law Tribunal for approval.**

Procedure of initiation of pre-packaged insolvency resolution mechanism: An MSME that has not met its payment obligation of Rs. 10 lakhs can initiate this scheme with approval from lenders that have advanced 66 percent of the debt amount.

Corporate insolvency resolution process: Under CIRP mechanism, an insolvent borrower is taken to bankruptcy court by the creditors for a time bound resolution and the process allows other entities to bid for the stressed entity.

Difference between **Corporate insolvency resolution process(CIRP) and pre-packaged insolvency resolution mechanism:**

Under Corporate insolvency resolution process (CIRP), a resolution professional is appointed to oversee the company's activities. Moreover the resolution professional also manages the bidding and resolution process, for which there is a 270-day deadline. The promoter of a stressed unit cannot bid for it.

But under the **pre-packaged resolution model**, the stressed borrower can prepare a resolution plan with the creditors, which could involve selling the company to an investor, before approaching the NCLT. The borrower retains management control of the company until a resolution is decided. Time limit for the resolution has been drastically reduced to 120 days and 90 days to submit a resolution plan and 30 days for the NCLT to approve or reject it.

Benefits of the **pre-packaged resolution model** : This model is a relief to NCLT as the tribunal is burdened with several cases that can take several months. Now, the tribunal will only have to reject or approve a resolution plan for MSMEs. The shorter time available for resolution will ensure that a company's assets are not eroded. As a result, MSMEs have an option to restructure their liabilities and start afresh without going through a lengthy and costly insolvency resolution process.



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ICSI AT 2030

The Institute of Company Secretaries of India (ICSI) is the only recognized professional body in India to develop and regulate the profession of Company Secretaries in India. ICSI is a premier national professional body set up under an act of Parliament, The Company secretaries Act, 1980. ICSI functions under the jurisdictions of the Ministry of Corporate Affairs, Government of India. ICSI has its headquarters at NEW DELHI, four Regional offices at NEW DELHI, CHENNAI, KOLKATA, MUMBAI and 72 CHAPTERS across INDIA. ICSI has been contributing to the initiatives of Government of India that have potential to excel the social -economic growth of India.

ICSI moves forward with the MOTTO - “SPEAK THE TRUTH ABIDE BY THE LAW”, VISION – “TO BE A GLOBAL LEADER IN PROMOTING GOOD CORPORATE GOVERNANCE” and MISSION – “TO DEVELOP HIGH CALIBER PROFESSIONALS FACILITATING GOOD CORPORATE GOVERNANCE”. ICSI is the only Institute which develops a cadre of highly competent Company Secretaries for ensuring good corporate governance and effective management. The Institute includes web – based coaching and trainings to enable students get concepts clear on various topics. It conducts study circle meetings and various National level competitions for students. The exams are held twice a year in the month of June and December. ICSI has constituted various Expert Task Forces and Committees – on Diligence Report for lending under consortium Arrangement/Multiple Banking Arrangements, on Audit/Due Diligence/Compliance of SEBI Laws, on Prevention of Sexual Harassment of Women at workplace, on Labour Laws, on Intellectual Property Rights, Core Advisory Group on GST and Direct tax committee. ICSI interacts with various international/multilateral bodies/institutions with regard to issues relating to the Corporate Governance, Business Ethics, Sustainability and Corporate Social Responsibility and also interacts with both CENTRAL and STATES on various issues concerning the Professions.

The present role of a Company Secretary both in employment and in practice has undergone a sea change. The provisions of Company Act, 2013 widened the role and responsibilities of Company Secretary. The CS is now a KEY MANAGERIAL PERSONNEL having immense responsibilities. Due to

frequent changes in laws and rules, regulations, the role focuses on Interpretation Skills and better decision making with respect to implementation of law in letter and spirit.

Change is the Law of life and those who look only to past or present are certain to miss the future. In the modern era of technological developments, innovations and inventions by a man through his Human intelligence created new machines, computers and other technological development to improve his standard of living and comfort. Artificial intelligence, Robotics and Technology along with Machine Learning is capable of hearing, seeing and reasoning with increasing accuracy. By making software and devices smarter, and keeping them affordable, people gain independence to perform daily tasks and personalize tools for their unique needs. In coming years, ICSI will role in AI regime making the profession more revolutionary and digital in nature. The role of Company Secretary is more of a imaginative and creative thinking and effective decision making. The Company Secretary equipped with knowledge, information and data can be data strategist capable of solving any legal and technical problems faced by Corporate. ICSI will focus on AI which can be of great help in the field of Accounting, Audit, Legal and Judiciary System if implemented well.

The future of education looks as promising as never before. The two years of pandemic have passed the way towards newer possibilities and innovative dimension in learning. Gone were the days when students were made to learn facts and figures. But now ICSI is moving forward in order to make them future ready by focusing on making education more employable. ICSI is working on skill development.

Data science, Artificial Intelligence and software development are the most preferred domains. The future of jobs will be dominated by data science and technology. ICSI will focus more on Practical aspects than being theoretical. ICSI will be changing its syllabus and Pattern of its programs in coming future. As per the changes in Economy concepts more open- book subjects will be added. ICSI will train its students in such a way that they will be able to implement each topic very easily when required. And will be making different software which will help the coming profession by making it easy of doing business.

By 2030, ICSI will substantially increase the number of youth and adults who have relevant skills including technical and vocational skills for employment, decent jobs and entrepreneurship. ICSI ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development. ICSI will substantially increase the supply of qualified teachers, including through international co-operation for teacher training in developing countries, especially least developed countries and small island developing states. With the vision "To be a global leader in promoting Good Corporate Governance" ICSI will be opening more chapters all across the world. At 2022, we are celebrating 75th AZADI KA AMRIT MAHOTSAV, The ICSI has already made headway in growing its global footprint by setting up ICSI overseas Centres in UAE, USA, UK, SINGAPORE AND AUSTRALIA, which are actively engaged in organizing capacity building programmes for members of the ICSI diaspora. By 2030, THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, will be pleased to inform about it's more overseas inauguration all across the World. The setting up of the ICSI overseas Centres will further strengthen the global outreach of the profession along with tapping all opportunities to nurture, grow and sustain two-way flow of knowledge and professional potential.



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SEBI: Substantial Acquisition of Shares and Takeovers Regulations, 2011

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Regulations**”) govern the transaction relating to acquisition of shares of a target company (listed company in India), where undertaken by an existing shareholder of the company or any other independent acquirer company. The purpose of the Regulations is to regulate the acquisition of shares or voting rights (directly or indirectly) or takeover of the ‘*control*’ of the target company and ensure that the said acquisition is done in a fair and transparent manner. For instance, Regulations 3 and 4 of the Regulations ensures that a public announcement of an open offer is made, prior an acquisition of the shares of a target company beyond a certain threshold. This open offer is made to the existing shareholders of the target company, so that they may have a fair exit opportunity in case of a substantial change of control or shareholding in the company.

What is SEBI Substantial Acquisition of Shares and Takeovers Regulations, 2011?

Mergers and acquisitions (M&A) are well-known ways of restructuring a company. If the majority shareholders of a company unanimously agree to merge with another entity, it would significantly impact the company and the shareholders, which may or may not be good. As the regulator of the capital markets in the country, SEBI is, therefore, responsible to ensure that the process is fair and the interest of all the shareholders is protected.

That is why SEBI introduced the Substantial Acquisitions of Shares and Takeover Regulations, 2011, which regulates the direct and indirect:

- Acquisition of shares and
- Voting rights or
- Control

In excess of 25% in/over a target company that is publicly listed. Here, acquisition means to buy shares in the company, which also gives the acquirer voting rights in the target entity.

What is control?

Control means the power to appoint/manage/direct a majority of the directors to direct or influence the management and policies of a company. Such power may be the result of owning equity shares, being party to a contract or anything beyond.

General rule of acquisition of shares in a target company:

The general rule is that an acquirer or persons in cohort are prevented from buying additional shares if that gives them voting rights equal to or in excess of 25% in the target company. However, the rule has an exception. That is, the acquirer or persons in cohort can acquire additional shares only on making an open offer publicly.

Meaning, as per SEBI Substantial Acquisition of Shares and Takeovers Regulations, any person or persons having a shared objective looking to buy/acquire shares or control the voting rights of the target company, such that their combined interest is more than 25%, are mandated to make a public announcement of an open offer. Note that the title of an 'officer' or a 'director' of a target company doesn't give control over the target company to the personnel holding such positions.

What is an open offer?

As per the Substantial Acquisition of Shares and Takeovers Regulations, 2011, an open offer is an 'exit opportunity' offered by an acquirer of shares to the existing shareholders of the target company so that they can sell their stock positions and exit the company should the developments not interest them. The offer price at which the existing shareholders can sell their stocks is ascertained by a person appointed by SEBI. This allows a fair procedure. Besides, an open offer also discloses significant developments that would happen in the company in the near future to the existing shareholders.

What is a trigger point?

A trigger point is when the acquirer of shares is mandated to make an open offer via a public announcement. As per the Substantial Acquisition of Shares and Takeovers Regulations 2011, trigger point kicks in when an acquirer, who is an existing shareholder:

- Holds 25% voting rights on owning equity shares in a company and wants to buy over 5% more voting rights in a financial year OR
- Holds less than 25% shares or voting rights in the target company and wants to buy more such that their total shareholding exceeds 25% interest in the target company.

Significance of the Substantial Acquisition of Shares and Takeovers Regulations, 2011:

As mentioned before, shares give ownership rights to the shareholders, resulting in a significant impact on the management of the business and shareholders' interest. Ergo, it is vital to ensure that shareholders' interest is protected and also that there is smooth corporate governance in an entity. SAST Regulations, 2011 is one such measure put in place by SEBI.

Exemptions by the Board:

Regulation 11 of the Code talks about exemptions to be provided by the Board. It says that apart from the abovementioned category of exemptions provided, the Board can exempt a person or class of person if it is of the view that an exemption may be provided to them. For availing the exemption granted by SEBI, the acquirer or the target company, as the case may be, needs to file a specific application with SEBI together with a non-refundable fee of INR 50,000. SEBI will pass a reasoned order on the application, after affording reasonable opportunity of being heard to the applicant and after considering all the relevant facts and circumstances.

Conclusion:

The Takeover Code was enacted as a measure to give shareholders a right to exit a company. Pursuant to this goal, the Code mandates an open offer requirement. But not all companies have to comply with this open offer requirement and the Code also gives certain exemptions for such companies. Hence, we have described them above and categorised them for convenience of the reader.



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Information Technology Act

Introduction

In this modern era we need development of our world and it develops at it's own way. When day by day are passing the growth of development also rises and we all know that when something comes it takes some good and bad effects with it. Where some people are taking the good and some are using the bad to fulfil their purpose. Here comes the Information Technology Act 2000.

Background

The United Nations Commission on International Trade Law in 1996 has adopted a model law on e-commerce and Cyber law and the Act was passed in 2000 in fact it was further amended in 2008 and 2018 to fulfil the need of society. It compulsory for every country to make their own laws and gives the protection against breach of the data of citizen. Like every other law it has it's own features and missions which is given in the act.

This Act divided into 13 chapters, 90 sections and 2 schedules.

Ch 1- Applicability of the Act and definitions.

Ch 2- Digital and Electronic signatures.

Ch 3 and 4- Electronic governance and electronic records.

Ch 5 and 6- Security of these records and regulations of certifying authorities.

Ch 7- Certificate needed to issue an electronic signature.

Ch 8- Duties of subscribers.

Ch 9- various penalties.

Ch 10- Sections related to the Appellate Tribunal.

Ch 11- Various offences related to breach of data and their punishments.

Ch 12- Provides circumstances where the intermediaries are not liable for any offence or breach of data privacy.

Ch 13- Miscellaneous chapter.

Schedule 1- It provides the documents and data where the Act is not applicable.

Schedule 2- It deals with electronic signatures and methods of authentication.

This act applies to the whole country includes the state of Jammu and Kashmir. It also extends to extra territorial jurisdiction which denotes that it will apply on those persons who will commit those offences from outside.

Objective

- To protect all e-transactions.
- To provide legal protection to communication and the exchange of information through internet.
- It also regulates and protects sensitive data which is stored by social media.

Features

1. It is adopted by UNCITRAL.
2. It has extra territorial jurisdiction.
3. It defines various terms used in the Act like digital signatures, electronic records, data, asymmetric cryptosystems etc under sec 2(1).
4. It protects all e-transactions.
5. It contains provision related to the appointment of the controller and their power.
6. It also deals with various offences related to data and defines their punishment.

Certifying Authorities

Appointment of controller

Sec 17 talks about the appointment of the controller, deputy controllers, assistant controllers and other employees of certifying authorities. The CG will decide the terms, qualifications, age, experience and conditions.

Functions and powers

1. He fixes the rules and standards to be followed by certifying authorities..
2. He specifies the terms and conditions of the appointment of the auditors.
3. He supervises the conduct of businesses and dealing of the authorities.

Penalty

If any person tries to use another's system without permission the she or he have to pay compensation for the damages caused by him or her.

Power of Appellate Tribunal

According to sec 58 of the Act the Tribunal is not bound to follow any provisions of Code Of Civil Procedure, 1908 and must give decisions on the basis of natural justice.

Landmark Judgement

Shreya Singhal v. Union of India (2015)

Here two girls were arrested for posting comments online on the issue of shut down in Mumbai after the death of political leader Shiv Sena and they were charged under sec 66A for posting this offensive comments and it was observed that the language of the sec is ambiguous and it struck down the entire system on the ground which violates Article 19 of the constitution. So the word "offensive" was not defined anywhere in the Act they interpreted it differently in each case.

Conclusion

It has a great pace and here we can get our enjoyment with it's great advancement of e-commerce where we have no fear about our data from being misused or lost.



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"Smart Compliance: Advancing Indian Corporate Practices with Artificial Intelligence"

As a dedicated Student of the [ICSI \(Institute of Company Secretaries of India\)](#), I have witnessed the intricate challenges that come through our corporate governance landscape. Navigating the complex maze of *regulations, staying abreast of ever-changing compliance requirements, and ensuring ethical practices* – these are the cornerstones of our profession.

In this era of rapid digitalization, the integration of Artificial Intelligence (AI) has now become a technological leap; it's a revolution reshaping how we perceive and practice corporate compliance. As guardians of governance, we understand the imperative need for precision, efficiency and above all, an empathetic approach in our dealings. Thus, "Smart Compliance" isn't merely about algorithms and data points; it's a testament to our commitment to fostering a business environment where human values merge seamlessly with technological advancements.



It's about utilizing the power of AI to automate mundane tasks, allowing us the time and space to focus on what truly matters – nurturing relationships, fostering trust, and upholding the ethical fabric of our corporate ecosystem.

In this narrative, we shall understand the intricacies of AI applications tailored specifically for the Indian corporate terrain. We explore how these intelligent systems not only decipher the complexities of compliance but also provide insights that can drive strategic decision-making.

Here are several ways AI can be applied:

1. Compliance Checks Via Automation:

AI algorithms can scan through vast amounts of data to ensure that a company is complying with all the necessary regulations. This includes tax laws, labor laws, and other industry-specific regulations. It can automatically highlight areas where the company might be at risk of non-compliance.

2. Regulatory Monitoring:

AI can be programmed to monitor regulatory changes. Regulations are constantly evolving, and it can be challenging for businesses to keep up. AI can track these changes and alert companies to any modifications that might impact their compliance status.

3. Data Privacy and Security:

AI can help in monitoring data and ensuring its security. With regulations like GDPR and the Indian Personal Data Protection Bill, it's essential for companies to handle data properly. AI can assist in data anonymization, encryption, and monitoring data flow to ensure compliance with these laws.

4. Contract Analysis:

AI-powered tools can be used for contract analysis. They can review contracts to ensure that the terms and conditions are in compliance with the relevant laws and regulations. This can save a significant amount of time compared to manual contract review processes.

5. Anti-Money Laundering (AML) and Fraud Detection:

AI algorithms can detect patterns that might indicate fraudulent activities or money laundering. By analyzing financial transactions, AI can identify suspicious activities, which is crucial for compliance with anti-money laundering regulations.

6. Internal Audit and Risk Management:

AI can assist in internal audits by analyzing financial records, employee activities, and other business processes. It can help identify areas of risk and suggest ways to mitigate these risks, ensuring compliance with internal policies as well as external regulations.

7. Chatbots for Compliance Queries:

Chatbots powered by AI can be used internally within a company to help employees understand and comply with various regulations. They can provide quick and accurate responses to compliance-related queries, ensuring that employees are well-informed and follow the right procedures.

8. Predictive Analytics:

AI can utilize predictive analytics to forecast potential compliance issues based on historical data. This proactive approach allows companies to address problems before they escalate, saving both time and resources.

9. Training and Awareness:

AI-based e-learning modules can be customized to educate employees about specific compliance regulations relevant to their roles. These modules can adapt to individual learning styles, ensuring better retention of compliance knowledge.

10. Documentation and Reporting:

AI tools can assist in the automation of compliance documentation and reporting. They can generate accurate and detailed reports required by regulatory authorities, reducing the chances of errors that might occur in manual reporting processes.

Implementing AI in Indian corporate compliance thus requires collaboration between legal experts, compliance professionals, and AI specialists. Additionally, it's essential to ensure that these AI systems are transparent, interpretable, and accountable to maintain ethical standards and build trust among stakeholders, professionals within the ICSI community.

Example**Case Study: Enhancing Transparency and Compliance in Indian Corporate Governance with AI****Background:**

In the wake of stringent regulatory changes and the growing demand for transparent corporate practices in India, XYZ Corporation, a leading conglomerate, faced challenges in managing its compliance obligations. Amidst the complexity of Indian corporate governance regulations, ensuring adherence to diverse laws became a daunting task. To streamline their processes, XYZ Corporation turned to Artificial Intelligence (AI) solutions.

Challenge:

XYZ Corporation grappled with a vast amount of data spread across departments, making it difficult to keep up with changing compliance requirements. Manual methods were time-consuming and prone to errors, posing a risk to the company's reputation and financial stability. The challenge was to adopt a robust solution that would enhance transparency, accuracy, and efficiency in meeting compliance obligations.

AI Implementation:

The company implemented AI-powered compliance management software. This system utilized machine learning algorithms to analyze and interpret vast volumes of legal documents, regulatory updates, and financial records in real-time. The AI system was trained on Indian corporate

governance laws, ensuring it could accurately identify applicable regulations and assess the company's compliance status.

Results:

1. Automated Compliance Checks:

The AI system automated compliance checks, swiftly identifying areas of non-compliance and providing detailed reports to the compliance team. This allowed for proactive resolution of compliance issues.

2. Real-time Monitoring:

The AI system continuously monitored regulatory changes, ensuring that XYZ Corporation was always up-to-date with the latest requirements. Alerts were generated for any changes relevant to the company's operations, enabling timely adjustments to policies and procedures.

3. Data Security and Privacy:

The AI system enhanced data security and privacy measures, ensuring compliance with Indian data protection laws. It identified and flagged sensitive data, facilitating encryption and secure storage practices.

4. Efficient Reporting:

AI-generated reports were not only accurate but also generated much faster than manual methods. This efficiency was crucial in meeting reporting deadlines, especially concerning disclosures in the company's annual reports.

Conclusion:

By integrating AI into their corporate governance practices, XYZ Corporation successfully overcame their compliance challenges. The AI solution not only ensured adherence to Indian corporate governance regulations but also enhanced the company's overall efficiency and transparency. **This case study highlights the transformative power of AI in the realm of Indian corporate governance**, demonstrating how technology can be harnessed to create a more compliant, secure, and accountable business environment. AI, by addressing human vulnerabilities and sensibilities, is reshaping Indian corporate practices. It's more than a journey; it's a testament to our unwavering commitment to governance, ethics, and the betterment of the corporate world we serve.

Key Measures that can be taken to successfully integrate AI in corporate compliance :

Implementing AI in corporate compliance requires careful planning and execution to ensure its effectiveness and ethical use. Here are some key measures that can be taken to successfully integrate AI in corporate compliance:

1. Identify Specific Compliance Needs:

- **Assessment** Conduct a comprehensive assessment of your organization's compliance requirements. Identify the specific areas where AI can add value, such as contract analysis, regulatory monitoring, or risk management.

2. Data Management and Quality:

- **Data Collection:** Gather high-quality, relevant data that AI systems can analyze. Structured and clean data are essential for accurate outcomes.
- **Data Security:** Ensure robust data security measures to protect sensitive information. Compliance with data privacy regulations is paramount.

3. Collaboration with Experts:

- **Legal and Compliance Experts:** Collaborate with legal and compliance professionals to define rules, regulations, and compliance standards. Their expertise is crucial in training AI systems effectively.

4. Choose the Right AI Tools:

- **Customized Solutions:** Consider customized AI solutions tailored to your specific compliance needs. Off-the-shelf solutions might need customization for optimal performance.
- **Scalability:** Choose scalable AI tools that can grow with your organization's needs.

5. Transparency and Interpretability:

- **Explainability:** Ensure that AI algorithms are interpretable, especially in critical decision-making processes. Understandable AI builds trust among stakeholders.
- **Documentation:** Document the AI algorithms and their decision-making processes for internal understanding and external audits.

6. Ethical Considerations:

- **Bias Mitigation:** Implement measures to identify and mitigate biases in AI algorithms, especially when dealing with sensitive data or decisions.
- **Ethical Use:** Establish clear guidelines for the ethical use of AI, ensuring that it aligns with your organization's values and industry standards.

7. Training and Awareness:

- **Employee Training:** Train employees to understand AI systems, their capabilities, and limitations. Ensure that they are comfortable working alongside AI tools.
- **Awareness Programs:** Conduct awareness programs to educate employees about the benefits and ethical considerations of AI in compliance.

8. Continuous Monitoring and Improvement:

- Regular Audits: Conduct regular audits of AI systems to ensure they are operating as intended and in compliance with regulations.
- Feedback Loops: Establish feedback mechanisms for employees to report issues or inaccuracies in AI-generated insights.

9. Legal and Regulatory Compliance:

- Compliance with Laws: Ensure that the use of AI complies with existing and emerging laws and regulations related to data privacy, consumer protection, and AI ethics.
- Regulatory Updates: Stay updated with regulatory changes related to AI technologies and make necessary adjustments to stay compliant.

10. Collaboration and Knowledge Sharing:

- Industry Collaboration: Collaborate with industry peers and regulatory bodies to share best practices and stay informed about emerging trends in AI compliance solutions.
- Continuous Learning: Foster a culture of continuous learning within the organization to adapt to advancements in AI technology and compliance requirements.

By following these measures, organizations can harness the power of AI in corporate compliance while ensuring ethical practices, data security, and alignment with regulatory standards. Effective implementation of AI not only enhances compliance processes but also strengthens the overall integrity and transparency of the organization.

As we conclude our exploration into this transformative landscape, it becomes evident that AI is not merely a technological leap; it is a paradigm shift, a revolution that has reshaped the very essence of how we perceive and practice corporate governance in India.

Through the lens of Smart Compliance, we have witnessed the amalgamation of cutting-edge technology with the human touch, encapsulating the ethos of Indian corporate governance. It's a testament to the indomitable spirit of innovation within the industry, where AI-driven solutions have seamlessly intertwined with our professional values, ensuring that our corporate practices are not just compliant but also conscientious.

In this journey, we have seen how AI algorithms meticulously navigate the era of regulations, swiftly adapting to the ever-changing legal landscape. Smart Compliance, therefore, is not merely reactive but profoundly proactive, empowering businesses to anticipate, adapt, and adhere in real-time.

Moreover, Smart Compliance champions the cause of transparency. By automating arduous compliance checks, AI not only ensures accuracy but also fosters a culture of openness within organizations. Stakeholders, investors, and regulatory bodies are afforded a clearer, unobstructed view into the governance mechanisms, instilling trust and bolstering the reputation of Indian corporations on the global stage.

Crucially, the human touch is not lost amidst the algorithms and data streams. Smart Compliance encapsulates the wisdom, empathy, and ethical judgment of the professionals steering these initiatives. It's about understanding that while technology propels us forward, the core values of integrity, accountability, and responsibility remain our guiding beacons. Each compliance met, each ethical quandary resolved, is a testament to the dedication and integrity of the professionals involved, a reminder that technology, at its heart, serves humanity.

As we move forward, the synergy between human intelligence and artificial intelligence will continue to shape a corporate landscape that is not just smart but also profoundly humane, resilient, and sustainable. The journey of advancing Indian corporate practices with Artificial Intelligence is not just a story; it's a testament to our commitment to a better, more compliant, and ethically sound business world for generations to commend. Effective implementation of AI not only enhances compliance processes but also strengthens the overall integrity and transparency of the organization.

**GLIMPSE OF THE PROGRAMMES ORGANISED BY
HOOGHLY CHAPTER OF ICSI FROM 01.07.2023 to 30.09.2023**



Van Maatsav Diwas- 01.07.2023



Session on Life Skills – 03.07.2023



CAP - Rishra Vidyapith 04.07.2023



PPT Competition – 04.07.2023



Video Byte Competition – 05.07.2023



Faculty Induction Program – 07.07.2023



Activation of Class Room Teaching – 08.07.2023



Soft Skill Development – 10.07.2023



CAP at Khamarpara Jagriti Hindi Vidyamandir-10.07.23



Session on IT Skills – 11.07.2023



CAP at Chapdani Arya Vidyapith -12.07.23



CAP at Xavier's English School-13.07.23



Declamation Competition – 14.07.2023



CAP Ratnakar North Point School- 14.07.2023



45th One Day Orientation Program – 15.07.2023



Mock Interview – 17.07.2023



CAP at Howrah Jyesh chandra Girl's School – 17.07.2023



Moot Court Competition – 18.07.2023



CAP at Vikram Vidyalaya Howrah Branch (Boys) – 18.07.2023



Samadhan Diwas – 19.07.2023



CAP at Salkia Vikram Vidyalaya – 19.07.2023



Training cum Placement Drive – 20.07.2023



CAP at Bhadreswar Dharmatala Girls High School – 21.07.2023



CAP at Shyam Sundar Children School – 21.07.2023



Training Induction Program – 24.07.2023

Painting Competition – 26.07.2023



Swachha Bharat Abhiyan – 27.07.2023

Sports Day (Marathon) – 28.07.2023



CAP at Tarakeswar High School on 08.08.2023

CAP at Shree Jain Vidyalaya, Howrah on 09.08.2023



46th One Day Orientation Program – 10.08.2023

CAP at Durga Charan Rakshit Vidyalaya – 11.08.2023



CAP at Howrah Akshaya Shikshayatan on 11.08.2023

CAP at Howrah Hindi High School on 11.08.2023



Celebration of Independence Day – 15.08.2023

CAP at Shibpur S.S.P.S. Vidyalaya on 16.08.2023



Full Day Seminar at Sarat Sadan, Howrah on 20.08.2023



CAP at Howrah Janata Adarsh Vidyalaya for Boys on 21.08.2023



CAP at Howrah Janata Adarsh Vidyalaya for Girls on 21.08.2023



CAP at Digra Mallickhati High School on 23.08.2023



CAP at Telinipara Bhadreswar High School on 23.08.2023



CAP at Patha Bhavan School, Dankuni on 24.08.2023



47th One Day Orientation Program on 29.08.2023



CAP at Baidyabati Charusila Bose Balika Vidyalaya- 04.09.2023



Teachers' Conference for School Teachers – 06.09.2023



Teachers' Conference for College Teachers – 08.09.2023



Live-streaming of Lakshya 2.0 on 09.09.2023



CAP at Barijhaati Girls High School on 11.09.2023



CAP at Konnagar High School on 13.09.2023



CAP at Mahesh High School, Shrirampur on 15.09.2023



CAP at Ghutiabazar Mallickbati Pathsala on 19.09.2023



CAP at Garalgacha Balika Vidyalaya on 20.09.2023



CAP at Mahesh Sri Ramkrishna Ashram on 21.09.2023



48th One Day Orientation Program on 21.09.2023



CAP at Vivekananda Maha Vidyalaya on 27.09.2023



CAP at Bejoy Narayan (B N) College on 29.09.2023



CAP at Vikram Vidyalaya Branch, Howrah for Girls on 29.09.2023



Mega Student's Conference on 30-07-2023