

ICSI
(MANAGEMENT AND
DEVELOPMENT OF COMPANY
SECRETARIES IN PRACTICE)
GUIDELINES, 2023



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

November 2023

Price 200/-

© THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

All rights reserved. No part of this publication may be translated or copied in any form or by any means without the prior written permission of The Institute of Company Secretaries of India.

DISCLAIMER

Although due care and diligence have been taken in the publication of this book, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this book. Any one wishing to act on the basis of the material contained herein should do so after cross checking with the original source.

Published by :

THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

ICSI House, 22, Institutional Area, Lodi Road
New Delhi 110 003

Phone : 011-4534 1000

E-mail info@icsi.edu • **Website** www.icsi.edu

Laser typesetting at: AArushi Graphics

PREFACE

The suggestions given by Company Secretaries influence the nations' corporate governance framework, so the adherence to the motto in letter and spirit by all the professionals would become a boon for the country and give rise to well governed business boosting the economic sector, helping the nation towards 'New India'

*- Shri Narendra Modi,
Hon'ble Prime Minister*

With the changing business environment and regulatory complexities, the functions and responsibilities of a Company Secretary in Practice have increased manifold. As the horizons of Practice continue to evolve, the Profession is expanding its footprints in many emerging areas with multitude of opportunities demanding professional expertise. Significant duties have been cast on the Company Secretary in Practice necessitating high degree of professionalism and meticulous abidance with the Company Secretaries Act, 1980, the Company Secretaries Regulations, 1982 and the Guidelines issued by the Institute thereunder.

To empower members with an organised and structured resource, that reduces ambiguity in the process to be followed for venturing into Practice side of the Profession, it became imperative to revise and streamline all the Guidelines applicable on a Company Secretary in Practice. In addition to keeping abreast with the regulatory updates, it is also vital for members to be thorough with the provisions of the Company Secretaries Act, Regulations, Guidelines, Standards and Guidance issued by the Institute.

The aim of these Guidelines is to facilitate the Company Secretary in Practice by consolidating all the relevant Guidelines as applicable along with the processes involved therein in a coherent manner that ensures ease of reference and enhanced comprehension; right from applying for the PCS Orientation Programme and enrolling as a Company Secretary in Practice to running a successful Practice. These Guidelines primarily focus on the

procedure to be followed by members in all stages of Practice; starting from venturing into Practice, managing their Firm, the service areas available to them, branding and development of Profession, and the like.

I take this opportunity to express my sincere thanks to the members of the Task Forces constituted for the purpose of reviewing and finalising these Guidelines, latest Task Force formed under the Chairmanship of CS Ranjeet Pandey, Former President, ICSI. I would also like to extend my sincere appreciation to CS Pawan G. Chandak, Council Member, ICSI and CS Sandip K. Kejriwal, Council Member & Chairman, PCS Committee, ICSI for their unwavering support and to all the members of the PCS Committee, ICSI for their guidance and valuable suggestions.

I complement the efforts of the Directorate of Professional Development under the able guidance of CS Alka Arora, Director, Directorate of Professional Development, ICSI and stewardship of CS Asish Mohan, Secretary, ICSI in the preparation of these Guidelines that will serve as a valuable aid to members in their professional endeavours.

Place: Varanasi

CS Manish Gupta

Date: 2nd November, 2023

President

The Institute of Company Secretaries of India

CONTENT

S. No.	Chapter	Page No.
	Preamble	
I	PRELIMINARY	1
	1.1 Short Title and Commencement	1
	1.2 Applicability	1
	1.3 Definitions	1
II.	PCS ORIENTATION PROGRAMME	3
	2.1 Introduction	3
	2.2 Objective	3
	2.4 Fees	4
	2.5 Faculty	5
	2.6 Reference Material	5
	2.7 Structure & Coverage of Programme	6
	2.8 Certificate of Completion	7
	2.9 CPE Credits	8
	2.10 Exemptions	8
III.	CERTIFICATE OF PRACTICE	9
	3.1 Introduction	9
	3.2 Eligibility & Application for COP	9
	3.3 Issue of COP	11
	3.4 Renewal of COP	12
	3.5 Cancellation of COP	12
	3.6 Surrender of COP	14
	3.7 Restoration of COP	15
	3.8 Issuance of Duplicate Certificate	16
	3.9 Use/Display of COP	16

S. No.	Chapter	Page No.
IV.	FIRM MANAGEMENT	17
	4.1 Introduction	17
	4.2 Designating of Partners/Employees/Associate	18
	4.3 Firm Name	19
	(I) Sole Proprietorship without applying for firm name	19
	(II) Name Application for Firm name	19
	A. Modalities	19
	B. General Conditions related to Firm Name	21
	C. Points specific to formation of LLPs	23
	D. Undesirable Name	24
	E. Application Mode	25
	F. Approval and Intimation of Firm Name	25
	G. Allotment of Unique Firm Registration Code Number (Unique Code)	25
	H. Change/Modifications in Firm Name	27
	I. Surrender of Firm Name	30
	4.4 Restriction on maximum number	31
	4.5 Reconstitution & Conversion of Firms	31
	I. Reconstitution	31
	II. Conversion	32
	III. Acquisition, Combination or Merger of Firms of Company Secretaries in Practice	33
	IV. Splitting of Existing Firm	34
	4.6 Particulars of Offices and Maintaining of Branch Office	35
	I. Particulars of Offices and Firms	35
	II. Branch Office	35

S. No.	Chapter	Page No.
V.	SERVICE AREAS	39
	5.1 Services to be Rendered by Company Secretaries in Practice	39
	5.2 Intimation to Previous Incumbent	47
	5.3 Peer Review	48
	5.4 Ceilings on Certification	50
	5.5 Maintenance of Records and Registers	50
	5.6 Privileged Communication	52
VI.	BRANDING AND DEVELOPMENT OF THE PROFESSION	54
	6.1 Introduction	54
	6.2 Usage of Logo by Company Secretary(ies) in Practice or Firm	54
	6.3 Responding to Queries or Tenders Pertaining to Professional Work	56
	6.4 Display/Publicity of Services	57
	6.5 Design and Contents of Visiting Cards	61
	6.6 Maintenance of Website for Company Secretary in Practice and Firms of Company Secretaries in Practice	64
	6.7 Attire and Conduct of Company Secretaries in Practice	68
VII.	SCALE AND MANNER OF DETERMINATION OF FEES FOR PROFESSIONAL SERVICES	73
	7.1 Introduction	73
	7.3 Guiding Principles for determination and charging of Fees	74
	7.4 Immunity	77

S. No.	Chapter	Page No.
VIII.	MISCELLANEOUS	78
	8.1 Consequences of Violation	78
	8.2 Transition	78
	8.3 Removal of Difficulties	78
IX.	Annexures:	
	● 3A - Form D	81
	● 3B - Form E	88
	● 3C - Format of affidavit	89
	● 4A - Form for Giving particulars of office and firm	90
	● 4B - Suggestive Format of Combination or Merger Agreement	92
	● 5A - Suggestive Format of intimation to be given to the previous incumbent (Company Secretary)	94
X.	Appendices:	
	1. ICSI Unique Document Identification Number (UDIN) Guidelines, 2019	97
	2. Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice	107
	3. ICSI (Continuous Professional Education) Guidelines, 2019	133
	4. AML & CFT Guidelines for Professionals with Certificates of Practice from ICAI, ICSI and ICMAI	142
	5. Relevant reproduced Law	157

PREAMBLE

Each new recognition has led to development and growth of Company Secretaries in Practice. In the past, various guidelines have been issued by the Institute of Company Secretaries of India from time to time for regulating and guiding the conduct of Company Secretaries in Practice with a view to enhance and ensure highest quality and standards of service delivery.

Now, in exercise of the powers conferred upon the Council of the Institute vide sub section (2)(e) and (g) of Section 15 of the Company Secretaries Act, 1980 and vide Regulation 169 of the Company Secretaries Regulations, 1982 (as amended from time to time), the existing guidelines/procedures have been amended and consolidated with a view to ensure 'ease of doing practice'.

Entering into Practice means both commencing entrepreneurship and practicing the profession of Company Secretaries. These Guidelines lay the framework for compliance of all legal requirements while ensuring highest professional standard. It encompasses all the dimensions of Practice of Profession of Company Secretaries; from setting up of Practice Unit, managing and expansion of Practice Unit, rendering of eligible Services, to branding and development of Practice Unit and running a successful Practice Unit.

CHAPTER I

PRELIMINARY

1.1 Short Title and Commencement

- a) These Guidelines shall be called as the ICSI (Management and Development of Company Secretaries in Practice) Guidelines, 2023.
- b) These Guidelines have been divided into 10 Chapters. The provisions contained therein shall come into force from December 15, 2023.


1.2 Applicability

The provisions of these Guidelines shall apply to the following:

- a) Company Secretary in Practice;
- b) Firms of Company Secretary(ies) in Practice;

1.3 Definitions

All expressions unless defined herein shall have the same meaning as have been assigned to them under the Company Secretaries Act, 1980, Company Secretaries Regulations, 1982 or any statutory modification or re-enactment thereto or as used in commercial parlance, as the case may be.

- a) “Act” shall mean the Company Secretaries Act, 1980;
- b) “Aggregator” means any form of business which owns, operates, manages a facility enabling potential customers to connect with service provider(s) for providing service(s) under the aggregators’ brands or trade names;
- c) “Associate” means a member who has entered into a contract for service with a firm or is in employment of the firm, engaged directly/indirectly for fulfilling specifically assigned duties and shall not sign/certify on behalf of the firm, unless he is a partner of the firm.
- d) “Brand” is the perceived emotional corporate image as a whole;
- e) “CS Logo” refers to the logo ;

- f) “Firm” shall have same meaning as defined under the Act;
- g) “Institute” refers to the Institute of Company Secretaries of India;
- h) “Journal or CSJ” means the “Chartered Secretary Journal” published by the Institute on monthly basis;
- i) “Logo” is any visual construct that identifies a business/product/service in its simplest form by the use of a mark or icon or any word written in a particular manner or a combination of these;
- j) “Member” means an Associate or Fellow member of the Institute;
- k) “Member Account” means the account/dashboard of the member maintained at the weblink;
- l) “Previous Incumbent” means the Company Secretary in Practice who has provided the services to the client prior to the appointment of new Company Secretary in Practice for providing the same services;
- m) “Regulations” means the Companies Secretaries Regulations, 1982;
- n) “TagLine” refers to a memorable phrase or sentence that is closely associated with a particular person, product, service, etc. It may be a reiterated phrase identified with an individual, group, product or service, entity;
- o) “Weblink” shall means the link established by the Institute to facilitate the members. Currently, it is <https://stimulate.icsi.edu/>
- p) “Write up” means the writing of particulars issued, circulated or published by Company Secretary in Practice by way of print or electronic mode or otherwise such as in newspapers, journals, magazines, website in accordance with the Guidelines, thereby setting out:
 - (i) services rendered by the Company Secretary in Practice or firms and;
 - (ii) the particulars of the Company Secretary in Practice or of firm(s).

CHAPTER II

PCS ORIENTATION PROGRAMME

2.1 Introduction

Regulation 10(1) of the Regulations provide that *a member, after successful completion of Orientation Programme in such manner and mode as may be determined by the Council, may apply to the Institute in the appropriate form for issue of a certificate of practice entitling him to practice as a Company Secretary anywhere in India.* Accordingly, the PCS Orientation Programme (POP) has been adopted as a step towards obtaining the Certificate of Practice.

2.2 Objective

The objective of this Programme is to:

- (i) Guide the member in establishing a successful and thriving Practice with special focus on developing skills and building expertise in rendering services to the stakeholders;
- (ii) Devise uniform structure for holding Orientation Programme for members who are desirous of obtaining Certificate of Practice.

2.3 Modalities of POP

- (i) Modalities of POP in e-learning mode are as under:
 - a) POP shall be available throughout the year to facilitate the member to undergo self-paced learning.
 - b) The duration shall be 10 hours.
 - c) The lectures shall be linked to coverage provided for under Para 2.7 of this Chapter.
 - d) The member shall be allowed to begin the next lecture, only on completion of previous lecture.
 - e) The member shall undergo MCQ based examination after completion of all the lectures.
 - f) A member will get maximum three attempts to appear and

qualify in the MCQ based examination and the minimum time gap between two attempts shall be 2 hours. Based on the score being 50% or more in the MCQ based examination, the member shall be awarded Certificate of Completion. Member has to complete the POP within 30 (thirty) days of registration in the e-learning mode.

- (g) If member is unable to complete the POP within 30 (thirty) days of registration or clear the MCQ based examination in three attempts, he has to again register on payment of fees, as prescribed under Para 2.4 of this Chapter.
- (ii) Modalities for POP in Physical mode:
 - a) The Regional Councils, Diamond and Platinum grade Chapters of the Institute may organize POP in physical mode, on charging such fees as prescribed in Para 2.4 of this Chapter.
 - b) The duration of the POP shall be 5 hours per day for two days.
 - c) The lectures shall be linked to coverage provided for under Para 2.7 of this Chapter.
 - d) The members shall not be required to undergo MCQ based examination as the Certificate of Completion obtained in physical mode shall be deemed as POP Completion Certificate.
 - e) The Regional Councils or the eligible chapters at its discretion may allow the existing Certificate of Practice holders to participate in the POP.

2.4 Fees

- (i) The fees for POP in e-learning mode shall be Rs. 750/- (excluding applicable GST). The Council may increase or decrease the fees on recommendation of the Practicing Company Secretary Committee of the Institute.
- (ii) Subject to the validity of the Certificate of Completion, the fees paid for POP in e-learning mode shall form part of the fees for Certificate of Practice and the remaining fee shall be paid at the time of applying for the Certificate of Practice.

- (iii) The fees for POP in physical mode shall be the fees decided by the Regional Council or the Chapter Management Committee which shall not exceed Rs 2000/- (excluding applicable GST).
- (iv) The fees charged by the Regional Council or Diamond/Platinum grade Chapter shall not be adjusted towards the fees of Certificate of Practice.
- (v) A Member falling under Para 2.10 of this Chapter shall pay full fee at the time of applying for Certificate of Practice.
- (vi) A member who has obtained POP Completion Certificate from physical mode shall have to pay Rs. 750/- (excluding applicable GST) as exemption fees and such payment shall form part of the fees for Certificate of Practice, the remaining fee shall be paid at the time of applying for the Certificate of Practice.
- (vii) The fees for POP shall be non-refundable and non-adjustable. However, Regional Council or Diamond/Platinum grade Chapter may allow refund and adjustments, if deem fit.

2.5 Faculty

- (i) POP being focused on hand holding of the Company Secretaries in Practice, only Company Secretaries in Practice having at least 10 years of experience shall be the faculty for the POP. Industry experts or experts from other relevant fields may also be invited as faculty to interact with the participants, so as to provide the view of stakeholders' expectations.
- (ii) Database of Peer Reviewers and Quality Reviewers may be utilised for identifying the faculty.

2.6 Reference Material

Each participant shall be provided with the soft copy or access to the soft copy of background material which shall essentially comprise of:

- (i) The Company Secretaries Act, 1980;
- (ii) The Company Secretaries Regulations, 1982;
- (iii) Peer Review Manual;
- (iv) Quality Review Manual;
- (v) Manual on Secretarial Audit;

- (vi) ICSI (Management and Development of Company Secretaries in Practice) Guidelines, 2023;
- (viii) SS-1 and SS-2 alongwith the Guidance Notes;
- (viii) Other Publications useful for Practicing Company Secretaries, as may be approved by Competent Authority.

2.7 Structure & Coverage of Programme

- (i) The POP shall cover the following topics:

COVERAGE OF PCS ORIENTATION PROGRAMME (10 hours - 2 hours each)
Setting up of Practice and strategizing for growth <ul style="list-style-type: none">● Establishing Infrastructure;● Networking and use of social media including Ethical conduct;● Financial schemes;● Converting Challenges into Opportunities;● Team Building and Mega Firms;● Soft skills and Professional etiquettes;● Time Management and Use of Technology;● Continuous Learning Programme and Team Building;● Partnership Firm- Do's & Don'ts, Mutual Agency & Trust, Decision-Making & Revenue Sharing.
Overview of major areas of Practice & New opportunities for Practicing Company Secretaries <ul style="list-style-type: none">● Representation Services: Authorities - NCLT/NCLAT/RD/ROC/OL/SEBI/SAT/RBI/Consumer Forum/CCI/TRAI/TDSAT/IRDA etc;● Advisory Services: Setting up of new business, Acquisition, Corporate Restructuring, Closure, Stakeholders Management, Board Management, Fund Raising - Equity & Debt, Business Advisory viz. Capital, ESOP;● Specialised Services: Insolvency Professional, Liquidator, Registered Valuer, Arbitrator, Mediator & Conciliator, ESG & Social Auditor.

Guidelines for Company Secretary in Practice

- ICSI Unique Document Identification Number (UDIN) Guidelines, 2019;
- ICSI Guidelines for Attire and Conduct of Company Secretaries, 2020;
- ICSI (Continuous Professional Education) Guidelines, 2019;
- ICSI (Management and Development of Company Secretary in Practice) Guidelines, 2023;
- ICSI Auditing Standards CSAS-1 to CSAS-4.

Appearance before Quasi-Judicial Authorities & Art of Advocacy**Essentials of Practice**

- Professional Code of Conduct for Company Secretaries;
- Overview of Peer Review and Quality Review;
- Overview of Disciplinary Mechanism;
- Nuances of PMLA;
- Management of Cash flow, Component of fee and Proposal Management;
- Interaction with Clients, Invoicing and Billing.

- (ii) The Practicing Company Secretaries Committee of the Institute may revise the structure, fees, modalities and coverage of the POP, as and when required.

2.8 Certificate of Completion

- (i) Certificate of Completion for the participants of POP in e-learning mode shall be auto generated on completion of the course.
- (ii) In cases where POP is organised in physical mode, Certificate of Completion shall be sent by Regional Office to the member in electronic mode.
- (iii) Certificate of Completion obtain either is physical or e-learning mode shall be valid for a period of 90 (Ninety) days and member has to apply for Certificate of Practice within 90 days from obtaining the same.

- (iv) In case of failure to apply for Certificate of Practice within 90 (ninety) days of obtaining the Certificate of Completion, such Certificate of Completion shall stand invalid and member shall be required to reappear for the POP after payment of the applicable fees.

2.9 CPE Credits

CPE Credit shall be awarded in accordance with ICSI (Continuous Professional Education) Guidelines, 2019, for the POP conducted in physical mode.

2.10 Exemptions

The requirement of undergoing POP before making an application for Certificate of Practice shall not apply to:

- (i) A member with Post qualification experience of 15 years or more as Company Secretary either in Employment or in Practice;
- (ii) A member who has surrendered Certificate of Practice not more than two years prior to applying for Certificate of Practice again.

CHAPTER III

CERTIFICATE OF PRACTICE

3.1 Introduction

Sub-section 1 of Section 6 of the Act provides that *no member of the Institute shall be entitled to practice, whether in India or elsewhere, unless he has obtained from the Council a Certificate of Practice (COP).*

3.2 Eligibility & Application for COP

(i) Eligibility

A member who intends to be engaged in the profession of Practicing Company Secretary on whole time basis and not in any other profession, business or employment can apply for issue of COP.

Explanation - A member who is in employment evidencing a master-servant relationship with the employer or contract of service or is practicing as chartered accountant or cost accountant or enrolled as an advocate with any Bar Council or is in some other gainful employment, is not entitled to obtain or hold COP. However, a associate shall not be treated as being in master-servant relationship with the employer or in a contract of service for the purpose of applying for COP. Any violation in this regard shall attract disciplinary action in accordance with Act and Regulations.

- (ii) **Application** - A member has to apply online in prescribed **FORM-D (Annexure -3A)** for issuance of a COP alongwith prescribed fees plus applicable GST/taxes, entitling the member to practice as a Company Secretary anywhere in India. Member may apply for issuance of COP to the Institute through online mode using weblink. Before applying for the COP, the member needs to ensure that he has paid the requisite annual membership fees alongwith of applicable GST/taxes and completed the PCS Orientation Programme, if applicable.

(iii) Fees

- a) Fees for COP is payable annually alongwith membership fees in online mode only.

b) In accordance with the proviso to Regulation 6(5)(b) of the Regulations, if the application for issue of COP is made on or after 1st October and before 31st March, the fee payable shall be 50% of the annual fee for that financial year.

c) Fees structure exclusive of GST/taxes is as under:

S. No.	Particulars	Amount (INR)	Total Amount (INR)
i.	At the time of applying for Certificate of Practice I. In case POP Completion Certificate is obtained through e-learning mode: a. PCS Orientation Programme b. Certificate of Practice II. In case POP Completion Certificate is obtained through physical mode: a. Exemption fees b. Certificate of Practice	 750/- 1250/- 750/- 1250/-	2000/-
ii.	In case, Certificate of Practice is applied on or after 1st October (for the first year) I. In case POP Completion Certificate is obtained through e-learning mode: a. PCS Orientation Programme b. Certificate of Practice II. In case POP Completion Certificate is obtained through physical mode: a. Exemption fees b. Certificate of Practice	 750/- 250/- 750/- 250/-	1000/-

iii.	Annual Fees for Certificate of Practice		2000/-
iv.	For issuance of Duplicate Certificate of Practice		200/-
v.	Restoration of COP Certificate		Annual Fee for COP+ Rs. 250

(iv) **Documents Required** - Member needs to submit **Form-D** in online mode, alongwith:

- a) Address Proof of office in the form of:
 - i) Aadhaar Card or
 - ii) Rent Agreement on stamp paper duly notarised or
 - iii) NOC from owner of the premise on stamp paper duly notarised;
 - iv) In case of Owned Premises - Copy of property tax alongwith affidavit.
- b) Utility bills (not more than 3 months old) in the name of Self, Parents, Landlord or the person who has provided the NOC;
- c) Copy of PAN Card;
- d) PCS Orientation Programme Completion Certificate, if applicable; and
- e) A copy of the relieving letter from immediate past employer company, if any, a copy of DIR-12 in respect of cessation of employment (if employed as whole-time Company Secretary) in support of earlier engagement; OR a letter of cancellation of Certificate of Practice of the concerned professional body, if earlier engaged in some other profession.

Note:- In case the member in employment intends to enter Practice, surrender of the ECSIN generated for such employment should be done prior to making an application for issuance of COP.

3.3 Issue of COP

- (i) Upon acceptance of the application by the Institute, the Certificate will be issued in prescribed **Form E (Annexure-3B)** of the Regulations. The COP shall be valid until it is cancelled.

- (ii) Intimation letter and COP shall be sent to the member account in electronic mode or sent through and registered post or speed post or courier and information shall be published on the website of the Institute.

3.4 Renewal of COP

- i) Payment of annual membership fee and annual submission of prescribed **Form-D** in online mode are essential pre-conditions for renewal of COP and shall be the sole responsibility of the Company Secretary in Practice.
- ii) The annual COP fee and the annual membership fee becomes due on 1st April and shall be paid on or before 30th June every year. On successful submission of fees and **Form-D**, the COP shall be deemed as renewed.
- iii) COP renewal is always subject to continuity of membership.

3.5 Cancellation of COP

- (i) Sub-section 3 of Section 6 of the Act provides that *the Certificate obtained under sub-section 1 (referred above in Para 3.1) may be cancelled by the Council under such circumstances as may be prescribed.*
- (ii) A COP issued under sub-section (1) of the section 6 of the Act read with Regulation 11 of the Regulations shall be liable for cancellation, if-
 - a) the name of the holder of the Certificate is removed from the Register of Member under sub-sections (1) and (2) of Section 20 of the Act; or
 - b) the Council is satisfied, after giving an opportunity of being heard to the person concerned, that such Certificate was issued on the basis of incorrect, misleading or false information provided by the applicant, or by mistake or inadvertence on the part of the Institute; or
 - c) the member discontinues to be in Practice; or
 - d) the member surrenders his COP; or

- e) the member has not paid annual fee for renewal of COP till 30th day of June of the relevant year; or
- f) the member has not complied with the guidelines of the Council;
or
- g) the member ceases to be an Indian National.

Explanations:

1. With reference to para 3.5(ii)(f) stated above, attention is drawn towards clause 1 of the Part II of Second Schedule of the Act (Professional misconduct in relation to members of the Institute generally). The clause specifies that a member of the Institute whether in Practice or not, shall be deemed to be guilty of professional misconduct, if he contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines issued by the Council.
 2. With reference to point (g) stated above, Indian National shall mean citizen of India as referred to under the Indian Citizenship Act, 1955.
- (iii) Regulation 11(2) contemplates that the cancellation of Certificate shall be effective-
- a) in cases falling under Para 3.5 (ii)(a) as stated above, on the date on which and during the period for which the name of the holder of the Certificate was removed from the Register of Members;
 - b) in cases falling under Para 3.5 (ii)(e) as stated above, from the 1st day of July of the relevant year without any notice; and
 - c) in any other case, from such date and for such period, as may be determined by the Council.
- (iv) Regulation 11(3) contemplates that when a Certificate is cancelled, the date from which and the period for which the Certificate shall stand cancelled shall be communicated in writing by registered post or speed post or courier or by any electronic mode to the member concerned at his professional address and email id available in the Register and may also be published in the Journal or hosted on the website of the Institute. The period for which the Certificate is

cancelled either due to non-payment of fees or for any other reason, the same shall be communicated to such COP holder.

- (v) Regulation 11(4) contemplates that where a COP is cancelled under Regulation 11 of the Regulations except clause (1)(d) of Regulation 11 (referred above in Para 3.5 (ii)(d)), the holder of such Certificate shall return the Certificate to the Secretary within 15 days from the date of receipt of notice of such cancellation and shall not use or display or continue to use or display the same Certificate in any manner. The request of member who surrenders his COP will be considered only on receipt of the original Certificate.

(iv) Effect of Cancellation of COP:

- a) The member shall not be entitled to Practice as a Company Secretary from the date the COP is cancelled.
- b) The member shall also cease to be a Partner of Partnership firm of Practicing Company Secretaries and/or LLP of Practicing Company Secretaries in which he is a Partner and the Partnership firm/LLP shall be reconstituted forthwith in accordance with the guidelines and communication in this regard shall be sent within 30 days to the Institute.
- c) In the event of member having a Proprietorship concern, the same shall cease to be in existence from the date the COP is cancelled.

3.6 Surrender of COP

- (i) The member shall make a request to surrender the COP along with return of original COP for cancellation. COP would be cancelled only on or after the date of receipt of the original Certificate alongwith the request for cancellation.
- (ii) The request to the Institute shall be raised through weblink along with the original Certificate which shall be sent to Directorate of Membership, ICSI House, C-36, Sector 62, Institutional Area, Noida-201301.
- (iii) In case, the original Certificate is lost or mutilated or destroyed, the member has to submit an affidavit in original to that effect in the specified format on non-judicial stamp paper of appropriate amount

duly attested by Notary Public/Oath Commissioner/1st class Magistrate. Format of affidavit is available at link: <https://www.icsi.edu/member/formsformembers/> and the same is also placed as **Annexure-3C**.

- (iv) When a Certificate is surrendered, the date from which and the period for which the Certificate stands surrendered shall be communicated to the member concerned as per the provisions of Regulations and may also be published in the Journal.
- (v) Once surrendered, the same COP shall not be allotted or restored.

3.7 Restoration of COP

- (i) The COP can only be restored in the same financial year in which it is due for renewal. The application for restoration of COP shall be made online using in Form-D and requisite annual COP fees plus restoration fees, before the expiry of financial year. In such cases, the COP shall be considered as restored.
- (ii) Restoration of COP is possible only in cases where the Certificate has been cancelled due to non-payment of the annual fee for COP and restoration is done before the end of financial year and not otherwise. Restoration shall be effective from the date on which the Certificate was cancelled.
- (iii) Where the COP has not been renewed or accepted for renewal in the same financial year and as a result of which it is cancelled, in all such cases a fresh COP shall only be issued with effect from the date of acceptance of application for the issue of a fresh Certificate. Further, in all such cases, a new COP number, which has to be the ongoing and current running number as per the records of the Institute, shall be allotted to the Company Secretary in Practice. The old COP number shall not be retrieved or restored or re-allotted to any member including the same member.
- (iv) The restored COP shall be sent to member account in electronic mode or shall be sent through registered post or speed post or courier and information shall also published in the Journal or hosted on the website of the Institute.
- (iv) The period for which the Certificate is cancelled, either due to non-payment of annual fees for COP or for any other reason, shall be communicated to such COP holder, through the defined in electronic mode.

3.8 Issuance of Duplicate Certificate

- (i) In case COP is lost, mutilated or destroyed, then the member shall forward request for issuance of duplicate 'Certificate of Practice'. The member has to submit an affidavit in original to that effect in the specified format on non-judicial stamp paper of appropriate amount duly attested by Notary Public/Oath Commissioner/1st class Magistrate. Format of affidavit is available at link: <https://www.icsi.edu/member/formsformembers/> and the same is placed as **Annexure-3C**. However, affidavit is not required to be executed in case the original mutilated or damaged Certificate is returned to the Institute.
- (ii) Intimation letter and duplicate COP shall be sent to the member by electronic mode or registered post or speed post or courier. The same shall be marked as Duplicate.
- (iii) In case of issue of Duplicate Certificate, the COP number shall remain the same.

3.9 Use/Display of COP

- i) **Display** - The COP issued to the member may be displayed at a prominent place of the office and the website.
- ii) **Quoting** - the COP holder shall ensure to quote COP on every Certificate, Report, Return signed physically or digitally by the member.

CHAPTER IV

FIRM MANAGEMENT

4.1 INTRODUCTION

This chapter facilitates all Company Secretaries in Practice who are desirous to apply for name of a firm or changing the existing name of their Firm. This chapter shall also facilitates in constitution/conversion of the Firm.

Firm has been defined under **section 2(1)(fa)** of the Act as under:

(fa) “firm” shall have the meaning assigned to it in section 4 of the Indian Partnership Act, 1932, and includes,-

- i. the limited liability partnership as defined in clause (n) of sub-section (l) of Section 2 of the Limited Liability Partnership Act, 2008; or
- ii. the sole proprietorship, registered with the Institute.

Further, the Act defines:

- (i) Sole proprietorship under clause (jj) of subsection 1 of section 2 of the Act. It means *an individual who engages himself in the practice of the profession of the company secretaries or offers to perform services referred to in clauses (b) to (f) of sub-section (2).*
- (ii) Partnership under clause (gc) of sub-section 1 of section 2 of the Act, It means:
 - (A) a partnership as defined in section 4 of the Indian Partnership Act, 1932; or
 - (B) a limited liability partnership which has no company as its partner.

Regulation 169 in this context provides as under:

169. Trade or firm name to require Council approval-

- (1) *No Company Secretary in practice or Multidisciplinary Firm who is not a partner of a firm of such Company Secretaries shall practice*

under any name or style other than his own except with the prior approval of the Council.

- (2) No firm of Company Secretaries in practice or Multidisciplinary Firm shall practice under any name or style except with the previous approval of the Council.*
- (2A) An application in such Form as may be determined by the Council, is required to be made to the Institute for obtaining prior approval of the trade or firm name proposed to be used by the company secretary in practice or by a firm of Company Secretaries in practice or Multidisciplinary Firm.*
- (3) The Council may, at its discretion, refuse to approve the particular trade, firm or other name:-*
 - i. if the same of similar or nearly similar name is already used by a Company Secretary in practice or a firm of such Company Secretaries and has been entered in the Register of Offices and Firms maintained under Regulation 165; or*
 - ii. if that name, in the opinion of the Council, is undesirable.*
- (4) Without prejudice to the generality of the powers conferred upon the Council under sub-regulation (3), a firm name may be considered undesirable, if it does not bear the names of its partners, present or past, except when the firm name has been acquired by payment of goodwill or otherwise.*
- (5) Where the same trade or firm name has been inadvertently registered in the past in the Register of Offices and Firms maintained under Regulation 165 in the case of two or more members or firms, the Council may direct the member(s) or the firm(s), as the case may be, other than the one whose name was registered first in the Register of Offices and Firms maintained under Regulation 165, to alter the name in such manner as the Council may direct in this behalf and the member or the firm shall inform the Council of having effected such alteration within three months of the issue of such direction.*

4.2 DESIGNATING OF PARTNERS/EMPLOYEES/ASSOCIATE

- (i) A Sole Proprietor firm may have following designations for its Employee or Associates (in order of seniority):*

- a) Senior Associate
 - b) Principal Associate
 - c) Associate
 - d) Functional Head such as Head Corporate Governance Services, Head M&A or any other designation.
- (ii) A Partnership firms LLP may have following designations:
- A. For Partners (only COP holders can be partners)
 - a) Partner
 - b) Managing Partner
 - c) Lead Partner
 - B. Employees
Functional Head such as Head Corporate Governance Services, Head M&A.
 - C. Associate
- (iii) LLP may have designations as per LLP Act, 2008, for Partners and for Employee as above.

4.3 FIRM NAME

(I) Sole Proprietorship without applying for firm name

A Sole Proprietor willing to Practice without adopting a firm name may do so in his individual name. A unique code shall be allotted to such individual alongwith Certificate of Practice.

(II) Name Application for Firm name

A. Modalities

- a.i A firm name shall be restricted to the name(s) of the Proprietor/ Partners as appearing in the Register of Members. However, maiden name of a Member may be allowed to be part of the Firm name, supported by evidence to the satisfaction of the Institute.
- a.ii A firm name may include the name(s) of the member(s) or his/her family members, subject to the provisions given hereunder. The

terms “family” for this purpose means husband, wife, father, mother, son and daughter only. An affidavit duly supported by evidence to the satisfaction of the Institute is to be produced in all such cases.

A.1 For Sole Proprietorship firm:

In case of name application by a sole proprietor for the Firm name, any one of the following options:

- (i) Name comprising first name and/or middle name and/or surname of the member, in any order; or
- (ii) Initials of the first name and/or middle name and/or surname, in any order; or
- (iii) Combination of (i) and (ii) in any order;

In case of non-availability of names in any of the above three categories following may be considered :

- (i) Combination of (i) or(ii) or(iii) mentioned above, with first name and/or middle name and/or surname, or initials thereof, of his/her family member(s). (referred in clause 4.3(II)(a.ii)

A.2 For Partnership firm/LLP:

In case of name application by a Partnership firm/LLP for the Firm name, subject to the provisions of the Indian Partnership Act, 1932 or the Limited Liability Partnership Act, 2008, any one of the following options in any order may be preferred:

- (i) Name or surname of any one of the Partners; or
- (ii) Surnames of two or more partners; or
- (iii) First names of two or more partners; or
- (iv) Combination of first names and/or middle names and/or surnames of two or more partners; or
- (v) Combination of initials of first names and/or middle names and/or surnames of the two or more partners; or
- (vi) Combination of (iv) and (v) above, in any order.

B. General Conditions related to Firm Name:

- (i) A firm name shall not be approved, if the same or similar or nearly similar name or phonetically similar or resembling name is already in use by a Company Secretary in Practice or which resembles the name of Company Secretary in Practice or Firm of such Company Secretaries and has been entered in the Register of Firms.

(Examples of same/similar/resembling/phonetically similar names:

J.K & Associates and Jay Kay & Associates;

Goel & Co. and Goyal & Co.

Goel & Co. and Goyal & Co. LLP, etc.)

- (ii) A firm name shall not contravene the provisions of The Names and Emblems (Prevention of Improper Use) Act, 1950 or any modification/re-enactment thereof.
- (iii) A firm name may be suffixed by the suffixes “& Co.”, “& Company”, “& Associates”, “& Partners”. However, any suffixes that may be considered undesirable by the Council shall not be allowed and firm name with suffix “& Partners” shall not be allowed to Sole proprietorship firm.
- (iv) The word “and”/“&” could be used in between the first name/ middle name/surname including initials thereof, of the Partners of the firm. However, the same can be used interchangeable by the Practicing firm.
- (v) A firm name may also be allowed without the use of the suffixes “& Co.”, “& Company”, “& Associates”, “& Partners” provided full first names and/or full surnames of the Partners are used. Also, in such cases, the word “&”/“and” may be used either in between the full first names and/or full middle names and/ or full surnames of the partners.
- (vi) The name of a Sole Proprietorship firm shall not be allowed without the use of suffixes “& Co.”/“and Company”/“& Associates”.

- (vii) In case of change in the status of the firm from Proprietorship to Partnership firm or vice-versa, the firm name already in use by any of the Partner or individual could be approved provided there is no objection, to that extent, by all other Partners or Individual, as the case may be.
- (viii) A firm name which was in use by a firm and surrendered shall not be allowed to any other member or firm/LLP for a period of Five years from the date of surrender of firm name/closure of Firm. The name may be re-allotted to the same member or members' upto a period of Five years from the surrender of firm name/closure of the firm, on request. However, on application for re-allotment, name shall be allotted afresh and all prior registration/credentials like peer review, quality review, firm registration number, PAN card shall be obtained fresh by the concerned member.

Further the name may be allotted to some other member or firm/LLP within a period of 5 years provided a no objection certificate is received from the proprietor or all partners of the firm/LLP to whom the said name was earlier allotted. However, in case of firm being acquired by any other firm or Company Secretary in Practice, the NOC shall be obtained from such acquirer.

Provided further, in case of the surrender of firm name/closure of Firm, where the Firm name carries full name of the member, such firm name shall not be allotted to any other member.

- (ix) In the event of removal of name of a member from Register of Member, after the expiry of the period of five years from the date of such removal, the said firm name may be allotted to any other member or members, without obtaining any NOC from previous firm name holder who are otherwise eligible for allotment of such name under these guidelines.
- (x) Approval accorded by the Institute for any firm name shall not tantamount to any protection by the Institute in case any dispute arises affecting to Intellectual Property Rights between any firm with any other brand, entity, business etc., within/ outside the profession and in relation to the name in dispute. The responsibility and liability in such cases shall solely be of the concerned firm and at its own risk and costs and not that

of Institute. The Institute shall not be held responsible for any kind of dispute that may arise in this regard.

- (xi) In case the firm ceased to be the firm of Company Secretaries in Practice, the intimation in this regard shall be sent to the Institute within 30 days and on receipt of such intimation, the name of the firm shall be removed from records of the Institute. The said name may be made available to any other eligible firm as per the guidelines.

C. Points specific to formation of LLPs:-

- (i) **Provisional Name:** Company Secretaries intending to form LLPs, to carry out certification/attestation services that are exclusively reserved to be rendered by Company Secretary in Practice, shall have to obtain provisional approval of the LLP names from the Institute, whether or not the name contains the words “Company Secretary” or “Company Secretaries”, before approaching the MCA (ROC) for registration, in order of preference. The said LLP may apply for three or more provisional names. After the incorporation of LLP by MCA (ROC), the firm shall obtain Unique Firm Registration Code from the Institute on submission of LLP Incorporation Certificate, within 30 days of approval by the Registrar of Companies, along with other documents as may be required by the Institute for registration.
- (ii) **Reserving Provisional Name:** The provisional name allotted to LLP will be reserved for a period of 90 days from the date of issue of the provisional name approval. The Institute shall approve maximum three provisional names for the intended LLP. In case MCA (ROC) rejects the provisional names for whatsoever reason, the approval given by the Institute will automatically stand withdrawn and the applicants have to again approach the Institute for approval of fresh names for the LLP, after following the prescribed procedure for the provisional names.
- (iii) **Post Registration:** Post registration of LLP with the MCA (ROC) and the Institute, the Firm and its partners shall in all their subsequent official communications, bills, certificates, letters and documents wherever the name of the firm is required,

shall mandatorily mention the LLP name in the form “AB & Co./Associates LLP, Company Secretary/Company Secretaries to indicate their profession. However, GST, PAN and other registration can be done on the basis of the Certificate of Incorporation, as issued by the MCA (ROC).

- (iv) In case Certificate of Practice is surrendered by any of the partners of LLP registered with the Institute, the firm shall either be reconstituted or dissolved in records of the Institute. In case of dissolution, the Partners have to undertake closure of LLP separately as per applicable provisions under the LLP Act on their own and without any notification or correspondence from them.
- (v) Any non-compliance relating to any of the provisions of the LLP Act shall be the sole responsibility and the liability of the concerned Partners of LLP only

D. Undesirable Name:

- (i) Descriptive firm names viz. Unique, Great, God, Messiah, Proud, Fire, Smash, Leader, Champion, Mastermind, Super, Supreme etc. which indicate some superiority/quality of service shall not be allowed even if these are coined names based on the permitted combinations detailed above.
- (ii) Firm names denoting publicity shall not be allowed. Any firm name, regardless of reason or logic, using the initials, acronyms or full forms of any profession/institution/body whether used individually and/or collectively and/or in any order, shall not be allowed. The use, therefore, of the letters viz., ADV. DR. ER. AR. CA, CS, CMA, MBA, CACMA, CACS, CSCA, CSCMA, CMACS, CMACA, IBBI, RVO, IP, NCLT, NCLAT, SEBI, SAT, RERA, MSME, ESG, CSR, RBI , FEMA , MRTP, MCA, ITAT, DRT, INDIA, ICAI, ICSI, ICWAI, ICAI, CCI, NSE, BSE, NSDL, CDSL, MCX, ITAT, CBDT, CBIC, ED, SFIO, NFRA, CRC, IEPF, Secretary, Accountant, Management, Chartered Accountant, Cost Accountant, Chartered Secretary, Insolvency, Insolvency Professional, Valuer etc., shall not be allowed even if these are coined names based on the permitted combinations detailed above.

E. Application Mode:

- (i) Only Member holding a valid Certificate of Practice and desirous of commencing Practice by constituting a firm may apply in pursuant Form 1 (for office and Particulars duly signed by the member) to the Institute through online mode using weblink for approval of name of respective concern in accordance with these guidelines.
- (ii) No fee is required to be paid for seeking approval of the name of the firm.
- (iii) On allotment of name, each firm shall be allocated with a Unique Code Number, by the Institute , except in case of LLP, where the same shall be allocated only on submission of Certificate of Incorporation of LLP.

F. Approval and Intimation of Firm Name

The letter granting approval of name of firm would be available in the online member account. The member should always be in possession of the Approval letter for future reference. In case of partnership firm, the date of deed shall be treated as date of approval in records of the Institutes.

G. Allotment of Unique Firm Registration Code Number (Unique Code)

The structure of Unique Code for a Firm will be as under:

- 1. The Unique Code will comprise of 14 digits.
- 2. The first letter/digit shall be the code like 'I' for individual, 'S' for Sole proprietorship, 'P' for Partnership, 'L' for LLP.
- 3. The next four digits shall be the year of approval from Institute of the firm/issue of COP.
- 4. The next two digits shall denote the State or the Union Territory of the address of the head office of the firm/professional address of the COP holder.
- 5. The next five digits shall be running number starting from 0001.
- 6. The next two digits shall be the Branch code which will be 00 for all firms not having branches, 01 for the first branch and so on.

Some examples of Unique Codes allotted to the Practice Units are as follows:

Individual COP holder (not having any firm name) - I2020MH2092400

Sole Proprietorship - S2023RJ949100

Partnership - P2023TN097300

LLP - L2023KR014900

7. In case a person practices as an Individual, is a Sole proprietorship, is a partner in a Partnership firm, is a partner in a LLP of PCS, all simultaneously, then separate Unique Codes will be issued for each entity.
8. If the COP is surrendered by a COP holder or the COP gets cancelled due to any reason whatsoever, the Unique Code allotted to the individual Company Secretary in Practice will lapse unless COP is restored in the same financial year in accordance with Chapter 3 of these Guidelines. A new Unique Code will be issued whenever a new COP number is issued.
9. In case there is a change in the address related to State/UT (to be intimated by the Company Secretary in Practice through weblink in Form 1, within 30 days of such a change), a new Unique Code will be issued with change in the two digits for State/Union Territory, rest remaining same as before.
10. In case of dissolution of a firm, the Unique Code allotted to the firm will lapse and shall not be restored.
11. In case there is a change in the structure of the firm from Sole Proprietorship to Partnership/LLP or vice versa, a new Unique Code will be issued with relevant change.
12. In case there is a conversion of a Partnership firm into a LLP or vice-versa, a new Unique Code will be issued with corresponding changes.
13. In case of reconstitution of a firm there will be no change in the Unique code so allotted before.

H. Change/Modifications in Firm Name -

H.1 In case of Sole Proprietorship:-

- (i) An application for change in name of the Firm shall be submitted in the Form 1 as mentioned earlier, duly filled-in by the Proprietor, in Online Mode using the web-link.
- (ii) The new proposed name will be approved under the provisions contained in Regulations 169 and 170 of the Regulations. The name of the firm should be in conjunction with provisions of these chapter.
- (iii) The letter granting approval shall be reflected in member account in electronic mode or will be sent at the address mentioned in the Form 1 as mentioned above.
- (iv) The firm which has requested for change in name, upon approval shall mention “formerly known as (old name)” for a period of one year from the date of approval of the changed name.

H.2 In case of Partnership firm:-

- (i) An application for change in name of the Firm shall be submitted in the Form 1 as mentioned earlier, duly filled-in and signed by all the partners, in Online Mode using the web-link.
- (ii) The new proposed name will be approved under the provisions contained in Regulations 169 and 170 of the Regulations. The name of the firm should be in conjunction with provisions of these chapter.
- (iii) The letter granting approval shall be reflected in member account in electronic mode or will be sent at the address mentioned in the Form 1 as mentioned above.
- (iv) The firm which has requested for change in name, upon approval shall mention “formerly known as (old name)” for a period of one year from the date of approval of the changed name.

H.3 Usage of existing name of Proprietorship firm by a Partnership Firm:-

- (i) In such cases, the existing name of the proprietorship firm may be allowed as the name of the partnership firm.

Provided that if the firm name allotted to any member in his individual name (full, first, middle or surname), not being the abbreviated name, who ceased to be in Practice for any reason whatsoever, such name, shall also cease within a period of three months from such ceasing of COP unless NOC is obtained from the member so ceasing to be in Practice or the agreement provides for continuity of the name.

- (ii) The firm name shall be reallocated thereafter, as per the provisions of these guidelines.
- (iii) Every firm existing on or before the commencement of these Guidelines shall within three(3) months comply with these Guidelines, by submitting No Objection Certificate or agreement, as the case may be.
- (iv) Documents Required:-
 - i. Request shall be raised through weblink in Form 1;
 - ii. Consent letter from the partners;
 - iii. The Partnership firm shall also submit the new partnership deed with the Institute within 30 days of change of name;
 - iv. NOC from acquirer, if any;

H.4 Usage of existing name of Partnership firm by a Proprietorship Firm:

- (i) The existing name of the partnership firm may be allowed as the name of the proprietorship firm. Provided that No objection certificate is obtained from the outgoing partners of the firm.
- (ii) Documents required:-
 - a. Request shall be raised through form 1 through the weblink;
 - b. Dissolution Deed duly executed and notarised;
 - c. No objection certificate is obtained from the outgoing partners of the firm

(dissolution shall be recorded from the date mentioned in the deed).

H.5 Usage of existing name of Proprietorship Firm/Partnership Firm on becoming LLP

- (i) In this case, an existing CS firm desirous to convert itself into LLP, shall be required to follow the provisions of Chapter-X of the Limited Liability Partnership Act, 2008 read with Second Schedule to the said Act containing provisions of conversion from existing firms into Limited Liability Partnership (LLP) as well as provisions of the Act and these Guidelines.
- (ii) The incorporation of LLP shall not affect the existing regulations and guidelines in force as regards the name allotment to Company Secretaries firms.
- (iii) **Document required (Proprietorship firm to LLP)**
 - a) In such cases, the existing name of the proprietorship firm may be allowed to be used as the name of the LLP subject to the provision of the LLP Act, 2008 and the rules made thereunder.
 - b) Documents required:
 - i. Request raised by the member intending to convert Sole Proprietorship Concern Registered in Institute through the weblink in Form 1;
 - ii. Consent letter from the incoming partner(s) holding COP of the Institute.
 - c) Upon incorporation of the LLP, the Partners shall submit to Institute the following documents, authenticated by any one of the Partners, within 30 days from the date of incorporation, for allotment of Unique Code:
 - a. LLP incorporation Certificate along with all forms submitted to RoC;
 - b. Copy of undertaking duly executed and notarised;
 - c. Copy of provisional name approval letter;
 - d. Copy of LLP Agreement duly executed and notarised.
 - d) The Sole Proprietorship Concern registered in the Institute will automatically be deactivated as Company Secretary

firm once the LLP firm is incorporated, new Unique code shall be issued.

(iv) Documents Required (Partnership to LLP):

- a) Request to be raised through weblink in Form 1;
- b) Consent letter from the incoming Partner(s), if any, holding COP;
- c) Resignation Letter from the Outgoing Partner(s), if any;
- d) NOC from Outgoing Partner(s) of having no objection or terms of agreement specifying as regards to having no objection to continued use of the existing firm name by the LLP;
- e) Upon incorporation of the LLP, the Partners shall submit to the Institute the following documents, authenticated by any one of the Partners, within 30 days from the date of incorporation, for allotment of Unique Code:
 - a. LLP incorporation Certificate along with all forms submitted to RoC;
 - b. Copy of undertaking duly executed and notarised;
 - c. Copy of provisional name approval letter;
 - d. Copy of LLP Agreement duly executed and notarised.

I. Surrender of Firm Name

- (i) The Institute may also cancel the name of any firm on written request of Proprietor, in case the Proprietor has surrendered his Certificate of Practice or otherwise.

(ii) Documents Required:

- a) Request to be raised through weblink by member holding Firm name in case of Sole Proprietorship and all the Partners in case of Partnership/LLP;
- b) Copy of Death Certificate of deceased member/resignation letter from the outgoing Partner (in case of partnership firm having only two partners);
- c) Dissolution deed duly executed and notarised (in case of partnership firm having more than two partners);

- d) Copy of Forms submitted with RoC, in case of LLP.

4.4 RESTRICTION ON MAXIMUM NUMBER

A Company Secretary in Practice should not at any time be a Partner in more than 5 Partnership firms or 5 LLPs or 5 Partnership firms and LLPs put together. A Company Secretary in Practice shall have only one sole Proprietorship firm registered with the Institute. Further, the Sole Proprietorship firm shall be in addition to the partnerships in a Partnership firm/LLP.

Further that every Company Secretary in Practice who is a partner in more than 5 partnership firm/LLP or has more than one Sole Proprietorship firm on or before the commencement of these guidelines shall within three months comply with the guidelines.

4.5 RECONSTITUTION & CONVERSION OF FIRMS

Any reconstitution of the firm with the same firm name shall not have effect except with the prior approval of the Council pursuant to Regulation 170.

I. RECONSTITUTION

- (i) The following shall be considered as Reconstitution:
 - a) Change in partners by way of admission, retirement, resignation, removal, death, etc.
 - b) Change in terms & conditions of partnership.
- (ii) In case of Reconstitution, an online application for approval along with documents related thereto, shall be submitted to the Institute through the weblink. In case of resignation, the copy of resignation letter or in case of death, the copy of the death certificate shall also be submitted. In case of admission consent of incoming Partner(s) and supplementary Partnership Deed shall be submitted.

Further, in case the name of the firm was made available based on initials of name of Partners and any of the partner has ceased to be a COP holder, or exiting the firm for any reason, the firm name so allotted may continue, where the agreement provides for continuity or no objection certificate from Outgoing Partner(s), who has ceased to be a COP holder or exiting the firm, has been obtained.
- (iii) Intimation of the aforesaid Reconstitution shall be submitted to Institute in Form 1 within 30 days of effective date thereof through the weblink.

- (iv) For the purpose of authentication, all such documents shall be signed all the continuing Partners of the firm, as the case may be.
- (v) Deed of Reconstitution of Partnership shall be submitted to the Institute alongwith Form 1 through weblink.

II. CONVERSION

Conversion/Reconversion from LLP to Partnership Firm

- (i) An existing LLP desirous to convert itself into Partnership firm shall be required to follow winding up and dissolution process prescribed under the Limited Liability Partnership Act, 2008 read with rules made thereunder. Simultaneously, the Partners either individually or jointly with other Partners shall apply to the Institute for approval of name for the proposed firm. In case of Partnership firm, the Institute may allow the use of the same name as that of LLP, if so applied by all the Partners of LLP collectively or in case of application by continuing Partners along with the no objection certificate from all the non-continuing Partners.
- (ii) The provisions of the Act and the Regulations shall be applicable to all Partners of the converted LLP firm into Partnership firm jointly and severally.
- (iii) Dissolution of LLP shall be done in accordance with the LLP Act and shall be the sole responsibility of the Partners, any further certificate/signature under name of the LLP thereafter shall be illegal.
- (iv) **Documents Required:**
 - a) Request to be raised through weblink;
 - b) Copy of member/resignation letter from the outgoing partner (in case of LLP firm having two PCS only as Partners);
 - c) Dissolution deed duly executed and notarised;
 - d) Dissolution order/certificate of the LLP issued by the MCA.
- (vi) After successful completion of all the formalities in MCA, the members have to resubmit to the Institute, all the relevant

documents issued by MCA for issue of the final De-registration letter by the Institute.

III. ACQUISITION, COMBINATION OR MERGER OF FIRMS OF COMPANY SECRETARIES IN PRACTICE

The acquisition or buyout and merger of the firms are gaining traction due to professional requirement such as exploring new area of operation, geographical presence and expansion of services. In order to recognise and encourage the consolidation of professional services among the Firms, it is necessary to provide framework and set of guidance to the firm. The consolidation should be affected for mutual benefits and considering the core competencies and to render professional services in a wide range of services and in different geographical limits.

The Firms entering into any of the agreement or arrangement, which shall amount to combination or merger of two or more Firms shall comply the following conditions:

- i. The combination or merger may be effectuated by way of any mutual arrangement or agreement between two or more firms.
- ii. Any acquisition of Sole Proprietorship Firm or Individual Practise of any member shall also be subject to these conditions and a combination or merger agreement shall be executed and submitted to the Institute.
- iii. The combination or merger of Firms shall be effectuated only when all the partners of each of the merging firms (including individual or sole proprietorship) give consent for such merger on the terms mutually agreed upon by the merging firms documented in a combination or merger agreement. A sample combination or merger agreement is placed as **Annexure 4B**.
- iv. The merged firm, if require to adopt a new name for the combined or merger Firm, may make application for the name availability of the Firm with the Institute in **Form 1** through weblink. The firm may adopt either the name of any of the merging Firms or may apply for a new name and an enabling provision shall be incorporated in the combination or merger agreement. The same is to be filed alongwith the combination or merger agreement with the Institute within 30 days from the date of the agreement.

However, if merged Firm decides to continue with any of the existing

name of any of the merging Firms then an intimation in regard to retention of such name and surrender of one or remaining name(s) alongwith combination or merger agreement shall be submitted to the Institute within 30 days from the date of such combination or merger agreement.

- v. All existing professional assignments, actionables, liabilities, receivable, right or obligations of the merging Firms or incoming partners or employees of the merging entities shall be transferred as per the terms of the merger agreement and institute shall not be anyway concerned with any legal arrangement or agreement between them.
- vi. The year of establishment of the merged Firm shall be either the year of establishment of any of the merging firms or the year in which the new firm is being established, as may be agreed upon amongst the merging firms, the same shall be incorporated in the combination or merger agreement.
- vii. The Institute will freeze the names of the merging firms and shall not allot the same names to any other firm.
- viii. The Institute shall accordingly allot the name and Unique Code to the Firm.

IV. SPLITTING OF EXISTING FIRM

Splitting of existing Partnership Firm is restructuring of the existing Firm in such a manner that **two or more** of the partners separates from the existing Firm.

The Firm of PCS entering into any agreement of restructuring of existing Firm or any agreement or arrangement, which shall amount to split of any PCS Firms shall comply the following conditions:

- i. Separation of two or more partner(s) from existing Firm by way of mutual agreement shall amount to split of the existing Firm, however, in no case expulsion of one or more partners from existing Firm in terms of Partnership Deed shall amount to split.
- ii. The splitting of existing firms shall be effectuated on such terms as may be mutually agreed upon by the existing and separating partners, documented in a deed of Separation/Splitting.
- iii. The existing Firm shall file an intimation in this regard alongwith

Form 1 with the Institute within 30 days from the date of execution of Deed of Separation / agreement.

- iv. The existing Firm or outgoing partners, may apply for name of the firm in accordance with name Guidelines.

4.6 PARTICULARS OF OFFICES AND MAINTAINING OF BRANCH OFFICE

I. PARTICULARS OF OFFICES AND FIRMS

(i) Reference of Law

165. Particulars of offices and firms- (1) Every Company Secretary in practice and every firm of such Company Secretaries shall submit to the Council in the appropriate form the particulars of his office or that of the firm within three months from the date of commencement of these regulations or the commencement of practice or formation of the firm, as the case may be, whichever is later. Any subsequent change in the particulars submitted shall be sent so as to reach the Council within thirty days after the change was effected.

(2) A Register of Offices and Firms shall be maintained by the Council.

(ii) General Conditions

- a) Every firm shall submit to the Institute, the particulars of his office or that of the firm in Form 1 through the weblink, within three months from the date of the formation of the firm.
- b) Any subsequent change in the particulars of his office or that of the firm shall be submitted so as to reach the Council within thirty days after the change was effected in Form 1 through the weblink.

II. BRANCH OFFICE

(i) Reference of Law

Section 37: Maintenance of Branch Office

(1) Where a Company Secretary in practice or a firm of such Company Secretaries has more than one office in India, each one of such offices shall be in the separate charge of a member of the Institute:

Provided that the Council may in suitable cases exempt any Company Secretary in practice or firm of such Company Secretaries from the operation of this sub-section.

(2) Every Company Secretary in practice or firm of such Company Secretaries maintaining more than one office shall send to the Council a list of offices and the persons in charge thereof and shall keep the Council informed of any changes in relation thereto.

Regulation 163. Branch office - *Every Company Secretary in practice or a firm of such Company Secretaries maintaining more than one office at the commencement of the Act shall send within three months of the commencement of these Regulations to the Council a list of offices and persons in charge thereof. Any change in regard to any branch office or offices shall also be intimated to the Council not later than a month of such change.*

Regulation 167. Place of business of practising member in India- *It shall be obligatory on every member in practice to have a place of business in India in his own charge or in charge of another member. Particulars of such place of business shall be supplied by the member to the Council initially and whenever there is a change of such place of business within thirty days of such change.*

Provided that the Council may, in the case of a person not covered by the proviso to Sub-section (1) to Section 4, allow a member to specify a place of business in India (whether he has business in India or not) which is neither in his own charge nor in charge of another member of the Institute, and in that event, such place shall be deemed to be the place of business for the purposes of Section 19 and his professional address for purposes of sub-regulation (1) or Regulation 62.

Particulars of any change of such place of business shall be furnished to the Council within thirty days of such change. Provided further that in the case of such a member who is a salaried employee of a Company Secretary in practice or a firm of such Company Secretaries in practice, the place of business of his employer(s) shall be deemed to be his place of business for the purpose of Section 19.

(ii) General Conditions

- a) Pursuant to Section 37 read with Regulation 163, any firm may have any number of Branches anywhere in India, to further the pursuits in accordance with Section 2(2)(f) of the Act.
- b) The firm at their sole discretion choose any of its branch as HO of the firm and all other shall be treated as branches. In absence of any information in this regard, the first address as provided in the Form 1 shall be treated as Head Office of the firm.
- c) Every Branch of such firm shall be in the separate charge of a member of the Institute, who is either of the following:
 - c.i A partner of a firm or a Member holding a valid Certificate of Practice, or
 - c.ii An employee of a firm with active ECSIN.

Further, Member who is not in employment with the firm or Members having active Certificate of Practice as Chartered Accountant or/Cost and Work Accountant or Advocate, or into any other profession, shall not be allowed to be appointed as Incharge for any of the Branch Office/Head Office of a firm. Every firm existing on or before the commencement of these Guidelines shall replace the Branch In-charge with 3 months, wherever required.

- d) On setting up of Branch Office, the firm shall intimate the Institute within 30 days of such establishing of office in Form 1 through the weblink. After verification, a letter will be issued by the Institute with particulars of the Branch head to the firm, which shall be reflected in the member account in electronic form.
- e) Any subsequent change with regard to any branch office or offices (including change in In-charge member) shall also be intimated to the Institute within 30 days of such change in Form 1 through the weblink.
- f) The Sign Board/Name Board of such Branches shall reflect the HO address also.

- g) Details of Branch Offices can be displayed on the website of the firm.

With reference to aforementioned proviso to Section 37(1), applications for opening of Branch Office without a Member in the separate charge at places where there are few or no Company Secretaries in Practice are to be decided by the Practice Company Secretaries Committee on the merits of each case. Further, all branches within the local jurisdiction of the same city may be allowed without member in the separate charge of the Branch office.

III. Branch Office Outside India

Company Secretary in Practice can have Branch office abroad, subject to the rules and regulation as may be applicable in that country. Provisions regarding Branch Office in India shall apply *mutatis mutandis*.

CHAPTER V

SERVICE AREAS

5.1 SERVICES TO BE RENDERED BY COMPANY SECRETARIES IN PRACTICE

(i) Introduction

Company Secretary in Practice being a qualified professional, advises and supports clients on a wide range of advisory, representation and secretarial services. The range of services which a Company Secretary in Practice can render to its clients is at very first instance derived from Section 2(2) of the Act. Accordingly, any member of the Institute providing any of the prescribed services shall be deemed to be in Practice.

Section 2(2)(f) read in conjunction with Regulation 168(1) of the Regulations empowers the Council of the Institute to permit a Company Secretary in Practice to engage in any business or occupation other than the profession of Company Secretary by a general or specific resolution of the Council.

The Council of the Institute has time and again passed resolution/s granting general or specific permission/s to render certain/specified services.

Regulation 168(2) further adds that a Company Secretary in Practice may act as a secretary, trustee, executor, administrator, arbitrator, receiver, appraiser, valuer, internal auditor, management auditor, management consultant or as a representative on financial matters including taxation and may take up an appointment that may be made by the Central or any State Government, Court of Law, Labour Tribunals, or any other statutory authority.

(ii) Engagement of Company Secretary in Practice in some other business or occupation

A Company Secretary in Practice shall be deemed to be guilty of professional misconduct under Clause 10 the First Schedule of the Act if he engages in any business or occupation other than the profession of Company Secretary unless permitted by the Council.

(iii) Carrying business without obtaining Certificate of Practice

Section 6 of the Act clearly states that no member of the Institute shall be entitled to practice, whether in India or elsewhere, unless he has obtained from the Council a Certificate of Practice.

Accordingly, any member who renders any of the services, mentioned under Section 2(2) of the Act, without obtaining Certificate of Practice shall be held liable for violation of the Act.

(iv) Services which can be rendered by Company Secretary in Practice

Section 2(2) of the Act provides the services which can be rendered by a Company Secretary in Practice. It reads as under:

Save as otherwise provided in this Act, a member of the Institute shall be deemed “to be in practice” when, individually, or in partnership with one or more members of the Institute in practice or in partnership with members of such other recognised professions as may be prescribed, he, in consideration of remuneration received or to be received—

- (a) engages himself in the practice of the profession of Company Secretaries to, or in relation to, any company; or
- (b) offers to perform or performs services in relation to the promotion, forming, incorporation, amalgamation, reconstruction, reorganisation or winding up of companies; or
- (c) offers to perform or performs such services as may be performed by—
 - (i) an authorised representative of a company with respect to filing, registering, presenting, attesting or verifying any documents (including forms, applications and returns) by or on behalf of the company,
 - (ii) a share transfer agent,
 - (iii) an issue house,
 - (iv) a share and stock broker,
 - (v) a secretarial auditor or consultant,
 - (vi) an adviser to a company on management, including any legal or procedural matter falling under the Industries (Development and Regulation) Act, 1951 (65 of 1951), the Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), any of the rules or bye- laws made by a recognised stock exchange, the Securities and Exchange Board of India Act, 1992, the Foreign Exchange Management Act, 1999, the Competition Act, 2002,

- or under any other law for the time being in force;
- (vii) issuing certificates on behalf of, or for the purposes of a company; or
- (d) holds himself out to the public as a Company Secretary in practice; or
- (e) renders professional services or assistance with respect to matters of principle or detail relating to the practice of the profession of Company Secretaries; or
- (f) renders such other services as, in the opinion of the Council, are or may be rendered by a Company Secretary in practice, and the words “to be in practice”, with their grammatical variations and cognate expressions, shall be construed accordingly.

(v) Area of Services as allowed by the Council

The Council of the Institute pursuant to the powers conferred under Clause (f) of sub-section (2) of section 2 of the Act read with Regulation 168 of the Regulations has specified certain services which can be rendered by the Company Secretary in Practice.

The Council has foremost clarified that all the services allowed to be rendered by Company Secretary in practice for the Company under section 2(2) of the Act shall also be allowed to be rendered for all or any of the business enterprise or entity, individual, Association of Persons (AOP), proprietor, partnership firm, Limited Liability Partnerships (LLPs), Body Corporate or any other regulatory body or authority (hereinafter referred as “entity”).

- I. The Council has granted general permission to the Company Secretaries in Practice to render the following service/s:
 - A. to render all or any of the services for which a Company Secretary in Practice is recognised under any Act, Rules, Regulations or any other laws for the time being in force.
 - B. to act as an auditor or carry out due diligence services pursuant to any recognition under any law or engagement by any entity under mutual arrangement or agreement to provide any kind of auditing services or due diligence services including issuing diligence report, search or status report or title search report or the like.
 - C. To represent or enter appearance for any entity in person before

regulatory bodies, statutory authority, quasi-judicial bodies, commissions and tribunals/appellate tribunals, or such other body, where professional engagement is required or agreed.

Further if is necessary to understand that a Company Secretary appearing before regulatory bodies, statutory authority, quasi-judicial bodies, commissions and tribunals/appellate tribunals, on behalf of his clients stands there in his capacity as an officer of such respective authority.

- D. to provide advisory services pertaining to or arising out of any matters including but not limited to corporate law, commercial law, taxation law, issue opinions, implementation of good governance practices, compliance management, Foreign Collaborations, Joint Ventures, business agreements, setting up Joint Ventures/subsidiaries in India or abroad.
- E. to render services pertaining to restructuring of corporates such as merger, demerger, reorganization including but not limited to preparation of any study, report, scheme ensuring compliances.
- F. to act as an arbitrator, mediator or conciliator for settlement of disputes or being on the panel of arbitrators or representing in arbitration, mediation or conciliation matters, mediator, conciliator under various laws, establishment of ADR Centres or to provide such other incidental services as may be required.
- G. to act as insolvency professionals, resolution professionals, liquidators, bankruptcy trustees, registered valuers, social auditors, actuaries subject to obtaining certificate of registration, as may be required by regulations framed under respective laws.
- H. to render all or any of the services relating to Corporate Social Responsibility(CSR) as referred under the Companies Act, 2013 such as to act as an advisor relating to CSR or Environmental, Social, and Governance (ESG), framing of CSR or ESG policy, carrying out designing, monitoring and evaluation of the CSR/ ESG projects, CSR Impact Assessment, ESG Audit and ESG Impact Assessment, Social Impact Assessment and to act as promoter, of any entity referred to under Rule 4(1) of the Companies (Corporate Social Responsibility) Policy Rules, 2014 and to carry other related services, mandated under any law or otherwise.

- I. to render management consultancy services in all the field including strategic management of business, risk management, industrial relations, human resource management including Human Resource Consultancy and Pay-roll related matters, branding, publicity or public relations, intellectual property rights, cyber laws.
- J. to act as trademark agent under the applicable laws.
- K. ISO/any other such quality and/or service certifications Consultant.
- L. to render services relating to setting of business entities such as industrial undertakings, plant, factories or any other establishment and to render services pursuant to engagement by any entity under mutual arrangement or agreement relating to expansion or diversification of the business including but not restricted to carrying out feasibility studies, preparation of project reports, business planning, restructuring, risk management services and other related services.
- M. to act as tax consultant in Direct and Indirect Taxes, Foreign Tax, GST Practitioners and all related services.
- N. to manage and assess financial requirements and resources including project finance, working capital finance, forex management, loan documentation, loan syndication and other related services, or act as a consultant in banking and financial sector, however not be directly involved in the recovery process, or undertake any assignment of such nature.
- O. to act as advisor for issue of any kind of securities or debt instruments, capital market functioning, formulating and implementing all activities relating to capital structure including creation, issue, offer, allotment, placement, procurement, listing of shares, debentures, bonds, deposits, coupons, ADR, GDR, IDR and all types of financial instruments.
- P. to undertake teaching assignments or private tutorship or delivery of lecture at any academic/professional development programme or as visiting Associate Professor in any University on *ad hoc* basis in relation to professional skills other than specific skills referred under Clause (Q), so long as the hours during

which a Company Secretary in practice is so engaged in teaching shall not exceed average 28 hours in a week irrespective of the manner in which such assignment is described or the remuneration is receivable (whether by way of fixed amount or on the basis of any time scale of pay or in any other manner).

- Q. to undertake performance/tutorship/coaching or participation in the fairs/exhibitions, with respect to the specific skills attained by the Company Secretary in Practice in areas other than referred to under section 2(2) of the Company Secretaries Act, 1980 such as any sports, astrology, palmistry, dancing, singing, music, acting, yoga, painting or any other skill, without hampering the practice hours, reputation and dignity of the Institute and such engagement under any circumstance shall not exceed 14 hours per week.
- R. authorship of books and articles, editorship of business journals or news editorial, print or electronic media.
- S. to undertake evaluation of papers, act as a paper-setter, head examiner, general observer or a moderator for any examination, act as reviewer for various publications, hint answer, study material or any other books, periodicals or publications of similar kind of the Institute or any other educational/academic body.
- T. to act as an investment advisor, portfolio manager and distributor of Mutual funds, subject to such compliance or permissions or approvals or disclosures of any regulatory authority.
- U. to act as Special Executive Magistrate and the like.
- V. to hold public elective offices such as M.P., M.L.A., M.L.C., Mayor, Parshad or other elected public offices.
- W. to become a member/co-opted member/nominated member of the Board/Council/Governing Body of any university/educational institution/statutory body/Government or semi-government organisation/Co-operations/trust/society/body corporate and the like.
- X. to act as merchant banker subject to such compliance or permissions or approvals or disclosures of any regulatory authority.

- Y. to render services facilitating availability of Digital Signatures Certificate, wherever required.
 - z. To render services as facilitation Center under the Authority from the Regulators/Government/Statutory Body including but not limited to Ministry of Corporate Affairs, Central Board of Indirect Taxes and Customs, Department of Revenue for Stamp Duty, Ministry of Micro, Small & Medium Enterprises.
- II. Company Secretary in Practice may establish, constitute, form, acquire, join, run, operate, manage, individually or jointly with any other person(s) or may contribute or give guarantee or hold shares or accept or hold office bearership of Company(ies) incorporated under section 8 of Companies Act, 2013 or LLP or Society(ies) or Trust(s) or any other legal non-commercial or not for profit organization(s) or entity(ies) by whatever nomenclature it may be known/called, solely for the non-profit or Charitable purpose or Social Cause.
- III. Company Secretary in Practice may hold equity shares, contribute capital and become partner/director/whole time director in Insolvency Professional entity pursuant to Regulation 12 of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 or in a Registered Valuer entity pursuant to Rule 3(2) of the Companies (Registered Valuers and Valuation) Rules, 2017.
- IV. Company Secretary in practice may become:
- (i) non-executive director/independent director/promoter/investor/ subscriber or any combination thereof to the Memorandum and Articles of Association of a Company/to the charter of any body-corporate, the main objects of which include areas which fall within the scope of the profession of Company Secretaries.
 - (ii) non-executive director/independent director/promoter/ subscriber to the Memorandum and Articles of Association of a Company/body corporate which is engaged in any other business or occupation, provided that such Company Secretary in Practice shall not be involved in day to day management of affairs of the Company or Body Corporate and shall not hold more than twenty five percent (25%) of shares in the share capital/interest/profits of such company/body corporate at any point of time.

Provided that, the Company Secretary in Practice may invest upto any limit into shares or other securities of any Start-up or any other business organisation without being involved into day to day management of affairs of the Company or Body Corporate in any such capacity.

V. Company Secretary in Practice may:

- (i) become designated partner/partner of a LLP or Partnership firm, the partners of which are all Company Secretaries in Practice, to render all such services which a Company Secretary in Practice is allowed to render in terms of Section 2(2) of the Company Secretaries Act, 1980 read with Regulation 168 of the Company Secretaries Regulations, 1982, such LLP/partnership firm shall be registered with the Institute in the manner as may be prescribed.
- (ii) become partner of a LLP or Partnership firm, which is not engaged in rendering any of the services as allowed under Section 2(2) of the Company Secretaries Act, 1980 and is engaged in any other business or occupation, provided that such Company Secretary in practice shall not be involved in day to day management of affairs of such LLP or partnership firm and shall not hold more than twenty-five percent (25%) of shares in the capital/interest/profits of such LLP or partnership firm at any point of time.
- (iii) associate in the family business concern/entity, provided that such Company Secretary in Practice shall not be involved in day to day management of affairs of such concern or entity and shall not hold more than twenty-five percent (25%) of shares in the capital/interest/profits of such entity or concern.

Provided that where the Company Secretary in Practice receives a family business concern/entity or a portion thereof, through inheritance or partition of family business, such Company Secretary in Practice can hold such inherited shares without any limits in the capital/interest/profits of such entity or concern, provided he is not involved into day to day affairs of the such entity in any capacity.

VI. Every existing firm shall comply with these Guidelines within three(3) months of notification of these Guidelines.

5.2 INTIMATION TO PREVIOUS INCUMBENT

- (i) Clause 8 of Part I of the First Schedule to the Act provides that a Company Secretary in Practice shall be deemed to be guilty of professional misconduct, if he/she *“accepts the position of a Company Secretary in Practice which was previously held by another Company Secretary in Practice without first communicating with him/her in writing.”*
- (ii) The clause does not prevent a client from changing over to another Company Secretary in Practice for his own reasons rather the client has full freedom to change over to another Company Secretary in Practice.
- (iii) It would be desirable for the new incumbent to obtain a letter from the company letting him know the name of the earlier incumbent or that no other Company Secretary in Practice has been appointed for the same assignment.
- (iv) Every Company Secretary in Practice is duty bound to enquire about the pending dues of the previous incumbent before accepting any assignment. Accordingly, every Company Secretary in Practice is required to obtain NOC in writing from the previous incumbent before accepting any assignment where the professional fees of the previous incumbent is pending/unpaid.
- (v) Every Company Secretary in Practice is required to intimate the previous incumbent before accepting any of the assignment, which are exclusively reserved to Company Secretaries in Practice such as:-
 - a) Signing of Annual Return in Form MGT-7 under Section 92(1) of the Companies Act, 2013 and rule 11(1) of the Companies (Management and Administration) Rules, 2014.
 - b) Certification of Annual Return in Form MGT-8 under Section 92(2) of the Companies Act, 2013 and rule 11(2) of the Companies (Management and Administration) Rules, 2014.
 - c) Issuance of Secretarial Audit Report in terms of Section 204 of the Companies Act, 2013.
 - d) Issue of Secretarial Audit Report to material unlisted subsidiaries of listed entities under Regulation 24A (1) of SEBI (LODR) Regulations, 2015.

- e) Issue of Annual Secretarial Compliance Report to Listed entities under Regulations 24A(2) of SEBI (LODR) Regulations, 2015.
- f) Certification under Regulation 40(9) of SEBI (LODR) Regulations, 2015 certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.
- g) Acting as Compliance auditor under Third Party certification/ Audit Scheme (Amendment), 2018 in the State of Haryana and similar recognitions in other states.
- h) Certification under Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (LODR) Regulations, 2015, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Further, the above list is an inclusive list of recognition as of now and all other recognitions present and future which are exclusively available for Company Secretary in Practice shall also be part of the same.

Suggestive Format of intimation to be given to the previous incumbent (Company Secretary) is placed as **Annexure 5A**.

5.3 PEER REVIEW

Peer Review contemplates examination of the systems and approach of a Company Secretaries in Practice by another member of the Institute with the objective of identifying the areas, where the member may require guidance in improving the quality of his performance and adherence to the requirements of various technical standards.

The Council introduced Peer Review for Company Secretaries in Practice to periodically evaluate the quality, sufficiency of systems, procedures and practices, so that excellence in their performance can be maintained. The Council has issued guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice, 2022 (**See Appendix 2**). The guidelines serve as a mechanism intended to further enhance the quality of professional work of Company Secretaries in Practice over a period of time,

thereby ensuring that the profession of Company Secretaries continues to serve the society in the manner envisaged. Further the Council has decided that the Firm shall mandatorily mention the Peer Review Certificate number while signing/certifying.

To ensure the quality of services rendered by members of the Institute to their clients and to the society as a whole, the Council has decided that only Peer Reviewed Firm shall be permitted to undertake the following assignments:

- 1 Certification of Annual Return in Form MGT-8 under Section 92(2) of the Companies Act, 2013 and Rule 11(2) of the Companies (Management and Administration) Rules, 2014.
- 2 Issuance of Secretarial Audit Report in terms of Section 204 of the Companies Act, 2013 [read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014/Issue of Secretarial Audit Report to material unlisted subsidiaries of listed entities under Regulation 24A (1) of SEBI (LODR) Regulations, 2015.
- 3 Certification under Regulation 40(9) of SEBI (LODR) Regulations, 2015 certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.
- 4 Issue of Annual Secretarial Compliance Report to Listed entities under Regulations 24A(2) of SEBI (LODR) Regulations, 2015.
- 5 Internal Audit of Depository Participants registered with NSDL and CDSL.
- 6 Quarterly Reconciliation of Share Capital Audit Report - Reg 76 of SEBI (Depositories and Participants) Regulations, 2018.
- 7 Diligence Report for Banks.
- 8 Corporate Governance Compliance Certificate issued under Schedule V of SEBI (LODR) Regulations, 2015.
- 9 Due Diligence Report - Reg 10(3) of SEBI (Delisting of Equity Shares) Regulations, 2021.

5.4 CEILINGS ON CERTIFICATION

- (i) In order to enhance the quality of service delivery and provide ample opportunities to all the Company Secretaries in Practice, it is important to set and retrieve from time to time the limits/ceilings on the number of the Reports/Certificates which a Company Secretary in Practice may attest/certify specifically in relation to the exclusive areas available for Company Secretary in Practice.
- (ii) The limits applicable on the certain exclusive services rendered by the Company Secretaries in Practice are as under:-

A. Secretarial Audit Report

Every Peer Reviewed Company Secretary in Practice is entitled to issue 15 Secretarial Audit Report(s) pursuant to Section 204 of the Companies Act, 2013 and Regulations 24(A)(1) of SEBI (LODR) Regulations, 2015, for each of the financial year under consideration.

B. Annual Return

A Peer Reviewed Company Secretary in Practice is entitled:-
to certify Annual Return pursuant to Section 92(2) of the Companies Act, 2013, for not more than 80 companies for each of the financial year under consideration;

C. Annual Secretarial Compliance Report

A Peer Reviewed Company Secretary in Practice is entitled to issue Annual Secretarial Compliance Report(s) pursuant to Regulation 24A(2) of SEBI (LODR) Regulations, 2015 subject to 10 Annual Secretarial Compliance Reports individually/per partner, for each of the financial year under consideration.

5.5 MAINTENANCE OF RECORDS AND REGISTERS

- (i) A Company Secretary in Practice shall establish policies and procedures in order to maintain records in consonance with CSAS-2 Auditing Standard on Audit Process and Documentation and Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice, 2022. This shall facilitate any future assessment/investigation pertaining to any assignment which may involve assessment of records.

- (ii) CSAS-2 Auditing Standard on Audit Process and Documentation specifically provides that:

9. Record Keeping and Retention

- 9.1 The Auditor shall establish policies and procedures for retention of Audit Documents.
- 9.2 The Audit Documents shall be collated for records within a period of 45 days from the date of signing of Auditor's Report.
- 9.3 The Audit Documents shall be maintained in physical or electronic form and retained for a period of 8 years from the date of signing of Auditor's Report.

For the purpose of Auditing Standards "Audit Documents" means the working papers prepared or records obtained by the Auditor in connection with the audit. The audit documents may be in physical and/or electronic mode.

Working papers include the audit plan, letters of representation and/or confirmation, abstracts of Auditee's documents, records kept by the Auditor of the procedures applied, the tests performed, the information obtained, analysis and the conclusions reached in the process of audit.

- (iii) Further, Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice, 2022, provide as under:

3.3 Concurrent Records - means the records relating to the professional assignments, such as correspondence of the Practice Unit with its clients, query letters, information sought from clients, engagement letters, forms uploaded on regulators' database, details of Board and General meetings, copies of paid challans and intimation to prior incumbent (wherever applicable) in terms of clause 8 of Part I of Schedule I to the Company Secretaries Act, 1980.

3.4 Engagement Records - means the permanent records and concurrent records relating to the professional assignments and the letters of engagement (as specified in the ICSI Auditing Standards) issued to the Practice Units.

3.11 Permanent Records - include KYC, master data on Ministry of Corporate Affairs website, signatory details, details of CIN, DIN,

authorised and paid up capital, information available on regulators' database, etc.

(iv) Maintaining of records:

The firm shall retain records for a period of time sufficient to meet the needs of his Practice and satisfy any pertinent legal or professional requirements of record retention.

- a) Accordingly, Concurrent records and Engagement records shall be maintained and retained in physical or electronic form for a period of 8 years. All Permanent records shall also be maintained for a period of 8 years.
- b) All documents pertaining to matter relating to Disciplinary cases shall be maintained for period beyond 8 years in accordance with the requirement of Law.

5.6 PRIVILEGED COMMUNICATION

- (i) Clause 1 of Part I of the Second Schedule to the Company Secretaries Act, 1980 provides that a *Company Secretary in Practice shall be deemed to be guilty of professional misconduct, if he discloses information acquired in the course of his professional engagement to any person other than his client so engaging him, without the consent of his client, or otherwise than as required by any law for the time being in force;*
- (ii) This Clause indicates the position of trust and confidence reposed by the client in a Company Secretary in Practice. A Company Secretary in Practice in the course of his professional engagement may come into possession of vital information. Such information has to be kept confidential unless consent of the client has been obtained to disclose the same. In the case of Sole Proprietor client, consent must be from the Sole Proprietor. In case the client is a Partnership firm, consent has to be given by all Partners or as per the terms of Partnership deed; if the deed is silent, any partner can give the consent on behalf of the firm in view of his implied authority. In the case of Board-managed companies, the Board has to give the consent unless it has specifically resolved to delegate the power to any executive. Where the company has any director as a managing director, he may give consent.
- (iii) It is necessary to bear in mind that any communication acquired by

a Company Secretary in Practice in the course of his Professional engagement on behalf of his client, any communication or any advice given by him to his client in the course and for the purpose of his engagement is privileged communication and shall not be disclosed by him without the express consent of his client. Similarly, the Company Secretary in Practice shall not disclose, without written consent of his client, the contents or conditions of any document with which he has become acquainted in the course and for the purpose of his professional engagement.

(iv) The above mentioned requirement shall not apply in the following cases:

- a) Any regulation issued by the any Regulator specifying disclosure of client information e.g. SEBI (Credit Rating Agencies) Regulations, 2019 which mandates professionals to disclose the information related to their client Companies.
- b) Directives issued by the various Tribunals from time to time.
- c) Any disclosure during the process of Certifications by Company Secretary in Practice which requires cross verification of facts.
- d) Any disclosure during the process of Inspection and Investigations by various authorities (eg. SFIO, Enforcement Directorate, CBI, MCA, Income Tax, GST, etc.) seeking information relating to client entities.
- e) Disciplinary Committees of the Institute.
- f) Generation of UDIN.
- g) Participation in the best Secretarial Audit Report or Best PCS Firm award instituted by the Institute.
- h) For any information/documents available in public domain.

CHAPTER VI



BRANDING AND DEVELOPMENT OF THE PROFESSION

6.1 Introduction

The Act read with the Regulations permit the Company Secretary in Practice (PCS) to solicit and advertise Professional services rendered by him in a limited manner. In order to facilitate the PCS in promoting his professional brand within specified parameters, this Chapter establishes minimum standards for brand building for developing a competitive edge by providing for (a) designing and application of Logo of a Company Secretary(ies) in Practice/Firm, (b) display and publicise the services rendered by a Company Secretary(ies) in Practice/Firm, (c) maintaining a website/web page, visiting card and like matters. Thus, ensuring uniformity in branding and development of the profession of Company Secretaries.

6.2 USAGE OF LOGO BY COMPANY SECRETARY(IES) IN PRACTICE OR FIRM

(i) CS LOGO FOR MEMBERS

- a) The members of the Institute have been allowed to use the following logo as a prefix to their name . It can be applied on the website of the Company Secretaries in Practice, on letter heads, visiting cards, other office stationery, name boards, other branding materials whether in print or in electronic mode.
- b) The Council of the Institute has laid down certain parameters for using the logo  which must be adhered to by the members of the Institute. The CS member shall apply the logo in adherence to the Graphic Standards Manual issued by the Institute.

(For further details visit https://www.icsi.edu/media/webmodules/ICSI_Graphic_Standard_Manual.pdf)

- c) The same logo may be used by the firm of Company Secretary(ies) in Practice. It can be applied on the website of the firm of Company Secretary(ies) in Practice, on letter heads, visiting cards, other office stationery, name boards, other branding materials of the firm whether in print or in electronic mode.

- d) The logo can only be used by members of the Institute. Students, who are undergoing training and pursuing the course or left the course are not entitled to use the logo.

Further, the members are entitled to use the logo only during the currency of their membership of the Institute and if for any reason, the membership is cancelled or surrendered, steps should be taken to discontinue usage of logo within 30 days of such event with an intimation to the Institute.

- e) The CS Logo cannot be modified, manipulated or changed in any way from its original design, nor can it be used as a feature or design element to any other logo (e.g. a Firm Logo).
- f) Application of the CS logo by the Company Secretaries shall not imply an endorsement about quality, standard, utility, assurance of service by the Institute.
- g) The Institute has the right to monitor the use of the CS logo at all times and may direct a member who is in violation of these Guidelines to remove the logo immediately at the member's cost and consequences.

(ii) FIRM LOGO FOR COMPANY SECRETARY(IES) IN PRACTICE

- a) The Firm or Company Secretary(ies) are free to design their Firm Logo and Tagline. However while designing the Firm Logo and the Tagline, member shall ensure that the same are befitting the ideals and standards of the Profession of Company Secretaries and are also in compliance with such other principles as may be prescribed from time to time conforming to the highest levels of dignity and ethical behaviour and consistent with the core idea that make up the Firm.
- b) The Logo and Tagline shall not be in contravention of the provisions of the Act, Trade Marks Act, 1999, Indian Copyright Act, 1957, The Emblems and Names (Prevention of Improper Use) Act, 1950 and the rules and regulations made thereunder.
- c) The logo/tagline not be used with the CS Logo in continuation or to be placed above the Logo of CS. Logo of the Firm is to be designed in such a manner which does not give an impression of single logo.

It is hereby clarified that the Institute is not liable under any

circumstances for any action/s taken on any logo and or Tagline by any person. With this the Institute is providing an enabling provisions subject to compliance of these Guidelines, members may at their discretion use the logo or tag line.

6.3 (i) RESPONDING TO QUERIES OR TENDERS PERTAINING TO PROFESSIONAL WORK

- a) The Company Secretary in Practice may respond to the queries received from the client or to the tenders floated for professional assignment in the manner prescribed herein.
- b) The response submitted by the Company Secretary in Practice shall not in any manner amount to solicitation of clients or professional work, directly or indirectly, as prescribed in Part 1 of the First Schedule of the Act and reproduced hereinafter:

Part I of the First Schedule of the Act lays that A Company Secretary in Practice shall be deemed to be guilty of professional misconduct, if he-

6) solicits clients or professional work, either directly or indirectly, by circular, advertisement, personal communication or interview or by any other means:

Provided that nothing herein contained shall be construed as preventing or prohibiting-

- (i) any company secretary from applying or requesting for or inviting or securing professional work from another company secretary in practice;*
- (ii) a member from responding to tenders or enquiries issued by various users of professional services or organizations from time to time and securing professional work as a consequence;*
- (7) advertises his professional attainments or services, uses any designation or expressions other than company secretary on professional documents, visiting cards, letterheads or sign boards, unless it be a degree of a University established by law in India or recognized by the Central Government or a title indicating membership of the Institute of Company Secretaries of India or of any other institution that has been recognized by the Central Government or may be recognized by the Council:*

Provided that a member in practice may advertise through a write up setting out the services provided by him or his firm and particulars of his firm subject to such guidelines as may be issued by the Council;

Clause 3 of Part III of the First Schedule of the Act provides that a member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he -

(3) while inviting professional work from another Company Secretary or while responding to tenders or enquiries or while advertising through a write up, or anything as provided for in items (6) and (7) of Part I of this Schedule, gives information knowing it to be false.

(ii) APPLYING FOR TENDERS

- a) Clause 6 of Part I of the First Schedule of the Act provides that a Company Secretary in Practice is allowed to respond to tenders or enquiries issued by various users of professional services or organizations from time to time and securing professional work as a consequence.
- b) A Company Secretary in Practice shall not respond to any tender issued by any organization or user of professional services, which are exclusive areas of Practice for the Company Secretaries where minimum fee for the professional service is not prescribed in the tender document itself.

6.4 DISPLAY/PUBLICITY OF SERVICES

- (i) This part shall be applicable to every kind of display, publicity, or endorsement by a Company Secretary in Practice in respect of or in connection with the services rendered under Section 2(2)(f) of the Act.
- (ii) Permitted means of Display/Publicity of Services:
 - a) As stated in the proviso to Para 7 of the Part I of the First Schedule of the Act, the Write Up by PCS setting out the services provided by him or his firm and particulars of his firm is permitted. The same is detailed at para 6.4(iii) below.
 - b) Display the services rendered on the website of the firm, which may be made available to the person visiting the website only when that person wants to receive it by agreeing to the pop-up notification before opening of any content of the website.

It is hereby clarified by agreeing to the acknowledgement, the viewer of the website may pull the information displayed therein. The same is detailed at point 6.5(ii) below.

- c) A visual identity (Firm logo) created in compliance with Part A of this Chapter.
- d) Display of Firm name, Logo for CS members, Firm logo on Office/s, office stationery and other branding material of the Firm.
- e) Professional Updates in any mode (providing an option to the reader to subscribe or unsubscribe).
- f) Appearing on local radio or television.
- g) Giving speeches/lectures at any platform including podcasts, webinars, seminars, conferences, training programmes, workshops, conventions and the like so organised by any forum.
- h) Holding professional seminars, webinars, conferences and workshops for members, businessmen, professionals and public at large, with or without any fees.
- i) Sponsoring any event (cultural, professional or otherwise) or helping with community programmes or doing voluntary work as a professional for charitable organizations.
- j) Creating an individual/firm account/webpage/website on any of the social media Platforms like Facebook, Instagram, LinkedIn, Twitter, YouTube, WeChat, Telegram and WhatsApp or and other media platforms of similar nature.
- k) Membership and Office-bearership of any Chambers of Commerce and other Association of Persons not for profit.
- l) Highest of designations held at the Institute viz. Present and Past membership of the Council including former President, former Vice-President, former Secretary, office bearer-ship of Regional Councils.
- m) Preparing profile for introduction anywhere covering any or all of the above.

(iii) The write-up as referred above may include the following information:

For Company Secretaries in Practice (Sole Proprietor)/Firm:

- a. Name of the Firmand other Particulars
 - i. Firm Registration No. with Institute.
 - ii. CIN in case of LLP.
 - iii. Year of establishment.
 - iv. Professional Address(s) including web address & email.
 - v. Telephone/Mobile/Fax No, if any.
- b. Name of the proprietor/partners and their particulars (including photos)
 - i. Name of the Company Secretary.
 - ii. Membership/Certificate of Practice No. with Institute.
 - iii. Years of Experience.
 - iv. Date of becoming ACS/FCS.
 - v. Other recognized qualifications.
 - vi. Languages known.
 - vii. Areas of interests or Hobbies like singing/ playing instruments etc.
- c. Logo of the firm, if any, CS Logo.
- d. Peer Review details.
- e. Details of Branches registered with the Institute including name and M.no. of the person incharge of the Branch.
- f. Professional attainments.
- g. Details of Employees (including photos):-
 - (a) Company Secretaries-
 - (b) Other Professionals -
 - (c) CS Trainee(s)
 - (d) Other Employees/ Associates

h. Services provided:-

- (a)
- (b)
- (c)

- i. Testimony /credentials or endorsements from clients. However, any testimonial which contains the general specialisation of any services of the firm or tall claims of record timing for execution of the assignment or stating anything about the fees shall not be allowed to be placed on the website of the Company Secretary in Practice (Sole Proprietor)/Firm.

(iv) Conditions for Display/Publicity

The Display/Publicity shall be factual, accurate and shall:

- a) not be in violation of provisions of the Act and the Regulations made thereunder;
- b) not be of such nature which may bring disrepute to the profession or the Institute;
- c) not use a registered trademark or trade name of any other firm;
- d) not be false or misleading in its context;
- e) not claim superiority over any or all other Company Secretaries in Practice or any other professional(s) and shall not refer to any self-laudatory words including “Specialists” or “Experts”, “Best”, Cheapest, etc. and shall not make tall, misleading claims about the utility or efficacy of the services;
- f) not contain fabricated or false testimonials/credentials or endorsements concerning the services provided by the Company Secretary/Firm;
- g) in no way indicate that the charging of a fee is contingent on outcome, or that no fee will be charged in the absence of the desired outcome;
- h) not contain any reference to past successes or results or any other such claim which indicates a guarantee, warranty or prediction of result of future professional assignments. e.g., We made M/s. Xxx win the case, Meet the masters, etc.;

- i) not be designed for “pleasing clients”, which might mislead or eventually harm clients or third parties;
 - j) Not resort to any unfair practices as per provisions of Consumer Protection/Competition Act;
 - k) not mention the fee charged in present or past cases;
 - l) not be similar in general layout, slogans, visual presentation to publicity material of others so as to mislead or confuse the client.
- (v) **Association with Aggregators/Networking & Multi-Level Marketing Associations**
- a) The Company Secretary in Practice or a Firm of Company Secretaries shall not list his/her service(s) on any aggregator website such as Yellow Pages, Sulekha, Olx, Urbanclap, JustDial, Quikr or any other aggregator of similar category.
 - b) The Company Secretary in Practice shall not come in any association with Aggregators in the form of online platforms which provide services/assignments requiring certification and attestation, that may or may not be exclusive domain of Company Secretary in Practice or of similar category.
 - c) The Company Secretary or a firm of Company Secretaries shall not join or project himself/herself/itself as a member of any networking or any Multi-Level Marketing Association(s) or any other organisation which require his/her Company Secretary member to add other person as member of the organisation or which require him/her to render such services which are not referred to in section 2(2) of the Act.
 - d) The Company Secretary in Practice or a Firm of Company Secretaries shall not associate or project himself/itself to be associated with any network system whether or not on payment of fees, which is based on referral system, i.e. facilitating a platform enabling members to share client referrals.

6.5 DESIGN AND CONTENTS OF VISITING CARDS

(i) Application of Logo on the visiting cards

- a) The Institute is not providing any actual or standard format of the visiting card. Members and Firms are free to develop

and design visiting card subject to the Act, Regulations and guidelines in this regard. The visiting card should be befitting the profession of Company Secretaries and should not contain any information or material which is unbecoming of a Company Secretary.

- b) The CS Logo, if used, shall always be placed on the visiting card preferably at the top (left/right/center) in accordance with the Graphic Standard Manual issued by Institute from.

For further details, visit https://www.icsi.edu/media/webmodules/ICSI_Graphic_Standard_Manual.pdf

- c) Subject to Para (b) above, the Firm Logo and Tagline, if any, shall be placed suitably on the visiting card. Any such Logo shall not be in continuation or placed above the logo of CS. However, the same can be placed alongside the CS Logo without giving an impression of single logo.

(ii) Contents of the Visiting Card

- a) There is no restriction on the colour combinations which may be used in the visiting cards. Members may include the following information on their visiting cards:
 - i. Name of Company Secretary in Practice and/or Firm name,
 - ii. Member/Firm's Address (both Head Office and Branches),
 - iii. Contact No(s),
 - iv. E-mail ID(s).

The visiting card may include website address and QR (Quick response) code. Provided that the QR Code does not contain information that directly or indirectly solicits professional works of any kind.

- b) The visiting card may have link of page(s) of Company Secretary in Practice/firm on Social Networking site.
- c) Where a Company Secretary in Practice is a Partner in more than one firm, the names of all such firms may be printed on the visiting card or separate cards may be printed for all such firms.

(iii) Additional Qualification/Designation on visiting card

- a) Designation other than Company Secretary may be placed on the visiting card only if it is a degree of University established by law in India or recognised by the Central Government/State Government or a title indicating membership of any other institution that has been recognised by the Central Government/State Government or the Council of the Institute.
- b) If a Company Secretary in Practice has qualified any Post Membership Qualification of the Institute, the same may be placed on visiting card, as per the ICSI (Specialised and Advanced Courses and Examination) Guidelines, 2020.
- c) If a Company Secretary in Practice is qualified as Insolvency Professional, Registered Valuer, Social Auditor, Trade Mark Agent or any other qualification approved by the Council, the same may be placed on the visiting card.
- d) A Company Secretary in Practice may mention a title on their visiting cards, to indicate membership of any Institute/University outside India, which has been recognized by the Council.
- e) Highest of designations held at the Institute may be placed on the visiting card viz. Present and Past membership of the Council including former President, former Vice-President, office bearer-ship of Regional Councils.
- f) Former Secretary of the Institute may place the same on the visiting card.

(iv) Restrictions

A Company Secretary in Practice shall not publicise the following on the visiting card:

- a) Any professional attainments or services which are not specifically allowed in these Guidelines,
- b) Chairmanship/Membership of a Task Force/Board/Committee/Group constituted by HQ or Regional Office/Chapter Office of the Institute or any other Professional body,
- c) Being a reviewer for publications of the Institute or other Professional bodies,
- d) Being a Paper setter, moderator, examiner, observer, paper

checker, etc. related to examination conducted by the Institute or any other Institution/University/College.

- e) Any position held/Membership of clubs and other associations which are not related to the profession, eg. RWA membership/position in NGO, etc.

6.6 MAINTENANCE OF WEBSITE FOR COMPANY SECRETARY IN PRACTICE AND FIRMS OF COMPANY SECRETARIES IN PRACTICE

- (i) Every Company Secretary in Practice or a Firm of Company Secretaries intending to launch and maintain a website shall ensure:
 - a) the Company Secretary in Practice/Firm is in compliance with the Schedules of the Act;
 - b) that all the information provided on the website is true, complete and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary;
 - c) to exercise reasonable care, prudence and diligence in providing information on the website of the Firm.

(ii) Disclaimer

Every website of Company Secretary in Practice and Firm of Company Secretaries in Practice shall display/pop up a disclaimer on opening of its website/on the main landing page of the website, clearly stating that the Regulations do not permit the solicitation/advertising of work and that the user is giving concurrence that he is only seeking information about the Firm/Partners/Proprietor.

Sample disclaimer is as under:

SAMPLE 1

Clause 6 and 7 of the Part I of the First Schedule of The Company Secretaries Regulations, 1982 do not permit solicitation of clients or professional work and advertising by Company Secretary in Practice in accordance with Section 2(2) of The Company Secretaries Act, 1980. By accessing the website i.e. _____, the user acknowledges that:

- *The user wishes to gain more information about us for his/her information and use. He/She also acknowledges that there has been no attempt by us to advertise or solicit work.*

- *Any information obtained or downloaded by the user from our website does not lead to the creation of the client relationship between the Firm and the user.*
- *All information contained in our website is the intellectual property of the Firm.*

AGREE

EXIT SITE

SAMPLE 2

Company Secretaries in Practice are not allowed to solicit clients or Professional work or advertise, according to The Company Secretaries Regulations, 1982:-

- *By clicking the “I Agree” button, you acknowledge and confirm that you are independently looking for information about our firm i.e. _____ and that no advertisements, personal communications, solicitations, invitations, or other forms of inducement of any kind have been made by or on behalf of our firm or any of its partners to solicit work through this website.*

AGREE

EXIT SITE

(iii) Contents on the Website

The Company Secretary in Practice/Firm shall create and maintain own websites/web pages subject to applicable laws. The website is to be maintained in accordance with following stipulation:-

- a. The Institute is not providing any actual or standard format of the website/web pages and there is no restriction on the colours/designs which may be used on the Website. However, the member/firm may provide the following information on their websites/web pages:
 - a.i) Name of Company Secretary(ies)/Firm name,
 - a.ii) Year of establishment,
 - a.iii) Member/Firm’s Address (both Head Office and Branches) along with Contact No(s), Fax No(s)(If, any) and E-mail ID(s),
 - a.iv) In case the person is a member of multiple firms, his interest in all such firms may be disclosed. Details of

Partners/employees/Associates etc. as given hereinbelow may be disclosed for all such firms, if so desired,

a.v) Details of Partners:

- Name of the Partner,
- Qualifications,
- Address, Contact No, Fax No and E-mail ID(s),
- Service Area,

a.vi) Details of Employees/Associates:

- Name of the Employee/Associates,
- Qualifications,
- Address, Contact No, Fax No, E-mail ID(s),
- Service Area,

a.vii) Photographs of the Proprietor/Partners/Employees/Associates dignitaries with proper descriptions,

a.viii) Awards/Accolades, if any, received in the professional capacity,

a.ix) Job vacancies under the Company Secretary in Practice/ Firm (including training to the students of the Institute),

a.x) Highest of designations held at the Institute viz. Present and Past membership of the Council including former President, former Vice-President, office bearer-ship of Regional Councils,

a.xi) Former Secretary of the Institute may place the same on the website/web page,

a.xii) Nature of assignments handled along with credentials. (Professional Fee charged or estimates thereof shall not be given. However, fee calculators for any statutory fee may be included for informational purposes*).

**Note:* Disclosure of fees charged on the website is permissible only where it is required by any government agency or regulator,

whether or not constituted under a statute, in India or outside India. Provided that such disclosure is only to the extent of requirement of the regulator. Where such disclosure of names of clients and/or fees charged is made on the website, the member/firm shall ensure that it is mentioned on the website [*in italics*], below such disclosure itself, that “*This disclosure is in terms of the requirement of [name of the regulator] having jurisdiction in [name of the country/area where such regulator has jurisdiction] vide [Rule/Directive and such like under which the disclosure is required by the Regulator]*”.

- b. Academics/Knowledge Updates, Articles, PPTs, Lecture clippings, professional information, Service areas of the firm, updation, bulletin boards, media coverage, download section, log in for existing clients, contact us link/utility and Educational/ Professional videos are also permissible.
- c. The website may include the link of its page on Social Networking site. However, the members should not solicit people to visit or like their respective page(s) on such Social Networking site.
- d. The chat rooms/chat bot can be provided which permit chatting amongst members of the Institute and between firm and its clients. The confidentiality protocol shall be observed.

(iv) Other Stipulations:

- a) The website name should be as similar as possible to the name of the Firm or should at least reflect a connection thereto.
- b) The website should ensure adequate secrecy of the matters of the clients handled through website. The list/logo of clients can be displayed subject to necessary permission.
- c) Except as permitted under these Guidelines, the Firm shall not issue any circular or any other advertisement or any other material of any kind whatsoever by virtue of which they solicit people to visit their website. However, the Firm is permitted to mention the name of the website on their professional stationery, visiting cards, digital cards, email and other communication channels.

- d) The website may provide a link to the website of the Institute, its Regional Councils, Chapters and Branches and also the website of Government bodies, Departments, Regulatory authorities, other Professional Bodies, Tribunals such as Ministry of Corporate Affairs, Goods & Services Tax Council, the Income Tax Department, SEBI, RBI, NCLT, etc.

(v) Restrictions:

- a) Following shall be prohibited from being placed on the website at all the times:
 - a.i Usage of words/expressions including “Leading Firm”/“Best Firm”/“Top Firm”/“Global leader”;
 - a.ii Promotion of other business/association;
 - a.iii Promotion of other firms subject to compliance detailed in above paras.
- b) The website should be befitting the standards of the profession of Company Secretaries and should not contain any information or material which is unbecoming of a Company Secretary.
- c) Display of any information pertaining to being a reviewer for publications of the Institute or other Professional bodies.
- d) Display of any information pertaining to being a Paper setter, moderator, examiner, observer, paper checker, etc. related to examination conducted by the Institute or any other Institution/ University/College.
- e) Display of Chairmanship/Membership of a Task Force/Board/ Committee/Group constituted by HQ or Regional Office/Chapter Office of the Institute or any other Professional body.

6.7 ATTIRE AND CONDUCT OF COMPANY SECRETARIES IN PRACTICE

The ICSI (Attire and Conduct of Company Secretaries in Practice) Guidelines, 2020 shall apply *mutatis mutandis* to the Company Secretaries in Practice. The relevant paras are reproduced hereunder:

(i) Applicability

- (a) These Guidelines shall apply to Company Secretaries whether in Employment or in Practice appearing before the quasi-judicial

bodies, statutory authorities and other government agencies/ bodies including but not limited to ROC, OL, RD, NCLT, NCLAT, NGT, RBI, SEBI, CCI, Income Tax Department, GST Department, Stock Exchanges and any other Offices of Regulators/Registrars under different laws on behalf of their employer/clients.

- (b) Endeavour shall be made by Company Secretary in Practice to follow these Guidelines for appearing before all clients as well.

(ii) Dress Code

- (i) The dress code to be adhered to by the Company Secretaries Practice is as under:

A. For Male Members:

- a. Navy Blue Suit (Coat & Trouser, plain/solid coloured)
OR
Navy Blue Blazer over a sober plain/solid coloured Trouser, preferably light grey. The fabric of the coat/ blazer may be as per the weather.
- b. Navy Blue Neck Tie preferably with CS Logo or any other tie with CS Logo.
- c. Buttoned up Coat
- d. White full sleeve collared Shirt
- e. Formal Shoes
- f. The socks may be of any plain/solid colour preferably matching with the colour of Trousers

B. For Female Members:

- a. Navy Blue Suit (Coat & Trouser, plain/solid coloured) with White full sleeve collared Shirt
- b. Saree/Suit of sober colour with Navy Blue Blazer
- c. Formal footwear
- d. Scarf with CS Logo is recommended to be worn.

(iii) Restricted items of attire

The following items of attire shall not be worn in any case:

- a) Clothes that are too revealing or not fitting well.
- b) Shorts or skirts or half sleeve shirts.
- c) Sunglasses, Caps, Hats, Mufflers.
- d) Hand Gloves.
- e) Face Masks and veils (except when worn for medical reasons/ precautions)
- f) Sports shoes, Slippers, Casual footwear.
- g) Singlets, T-shirts, Jeans.
- h) Medallions, except where the professional has a constitutional right thereto.
- i) Medical equipment which would force the trial judge to either grant a continuance or influence the judge in any manner prejudicial to the administration of justice.
- j) Earphones, headphones and any other electronic communication equipment.

(iv) Exceptions

- (i) The intent of these Guidelines is not to impose rigid standards not directly related to judicial administration and accordingly exceptions are given for the following:
 - a) Turbans, for religious, cosmetic or other legitimate purposes in plain/solid sober colours.
 - b) Headgear, adhering to good sense of community standards and having a balance with the professional's attire.
 - c) Hearing aids, so that a person with hearing loss can listen, communicate and participate more effectively in daily activities.

(v) Etiquette while Attending Hearings

All members shall endeavour to adhere to the following:

- a) Do not enter the court room chewing gum or toffee, beetle-leaf, tobacco, gutkha, mouth freshener, pan-masala, or any eatables.
- b) Do not enter the court room in an inebriated state.
- c) Switch off all mobile and other beeping devices or put them on silent mode (non-vibrating) and keep them inside the bag or pocket before entering the courtroom as these may disrupt the proceedings.
- d) Enter the courtroom or office of the Presiding Authority silently and bow/greet to the Presiding Authority as a sign of respect before proceeding to your seat.
- e) Silence must be observed at all times during the hearing.
- f) Ensure that all loose sheets of papers are securely fastened, indexed and tagged so as not to waste the time of the court in locating the documents.
- g) Ensure that all documents needed for the hearing are available with you, including copies already submitted in advance with the authority.
- h) Behave in a polite and courteous manner with all present in the court room and maintain decorum.
- i) Do not attempt to capture photographs or audio/video record during the proceedings.
- j) All efforts must be made to observe the above etiquettes as well, even while attending virtual hearing. Further for virtual hearing the member in practice shall ensure that the environment from which the member is appearing (virtually) is in line with the prescribed directions and/or recommended standards for such virtual appearance.

(vi) Etiquettes while Attending Virtual Hearings

All members shall endeavour to adhere to the following additionally, in case of virtual hearing or E-hearing

- a) Before the hearing, familiarize yourself with your microphone,

camera and speakers, test your technology from the place where you plan to participate in the hearing.

- b) Dress code as mentioned in above paras should be adhered too.
- c) Excessive physical movements should be avoided.
- d) Computer or camera angle should be placed in such manner that is straight at or a bit above eye level.
- e) Overly bright or extremely dark background should be avoided as they do not translate well on camera. Additionally, background should be clear and uncluttered.
- f) While using spectacles/glasses they should have non-reflective coating.
- g) Use an external microphone, a headset or earbuds with a built-in microphone, where possible-this supports good audio quality and helps other participants to hear you clearly. Mute your microphone when not speaking. This reduces echo and background noise.
- h) Preferably, mute notifications on your computer/device.

6.11 Wherever the quasi-judicial bodies, statutory authorities and other government agencies/bodies referred above have defined a particular dress code for appearing before them, in the courtroom/or otherwise, the same shall be adhered to.

CHAPTER VII

SCALE AND MANNER OF DETERMINATION OF FEES FOR PROFESSIONAL SERVICES

7.1 Introduction

- (i) Company Secretaries in Practice (PCS) render various value added services to corporate, individuals and other entities under various statutes or on the basis of specific business/industry requirements. With a view to harmonize the diverse practices followed by PCS while determining and charging professional fees for rendering such services and to provide the guiding principles for fixing the fee, the Council of The Institute of Company Secretaries of India has issued these Guiding Principles on Scale and manner of determination of Fees for various Professional Services rendered by the Company Secretaries in Practice.
- (ii) These principles *inter alia* provide for ways to ascertain the scope of various professional services and the principles for determination of fee in order to ensure transparency between the recipient of services and the PCS and also pave the way for a just and reasonable fees to be charged by professionals on the basis of their experience, expertise, exposure, operational costs, associated risks and the market forces.

7.2 Category and Area of Services - The various professional services rendered by a PCS may broadly be categorised as:

- (i) Advisory or Consultancy,
- (ii) Audit(s),
- (iii) Attestation Services - Signing and Certification,
- (iv) Representation/Appearances,
- (v) Compliance Management Services
- (vi) Specialised Services such as Insolvency Professional, Liquidator, Valuer, Arbitrator, Mediator, Scrutinizer, etc.
- (vii) Any other service, as may be approved by the Council in terms of section 2(2) of the Act.

7.3 Guiding Principles for determination and charging of Fees

- (i) The professional services may be provided to the recipient of services on a retainer basis or for a standalone project, which may be taken up either on lump-sum or time-based payment.
- (ii) A standalone project based fee, which may be time based or lump-sum payment, may be preferred when the professional service is concentrated in a particular area or project and has definite time of completion of project or deliverables.
- (iii) The PCS may charge professional fee for their services on any of the following basis:
 - a) **Time Rate (Hourly/Daily)**, which shall be expected time value of money for professional services.
 - b) **Monthly Retainer fees**, which shall be equivalent to time devoted by PCS and his team and expertise of the professional comparable to and should not be less than monthly remuneration of the professional, if he would have been employed as an employee at such position in the said Company.
 - c) **Project based rate**, which may be calculated on basis of time required or expertise to complete an assignment.

Provided that the PCS shall in no case charge or offer to charge, accept or offer to accept, in respect of any professional service, the professional fees which are based on a percentage of profits or which are contingent upon the findings, or result of such employment, except as permitted under any regulation made under Act, failing which a Company Secretary in Practice shall be deemed to be guilty of professional misconduct.

- (iv) Before accepting any professional assignment, it shall be the responsibility of the PCS to ascertain skill sets, infrastructure at his disposal or have some association or arrangement to meet the said skill set or competence or infrastructure for efficient delivery of services.
- (v) The fees and costs charged by PCS shall always be transparent and a reasonable reflection of the work necessarily and properly undertaken. The PCS may consider the following factors while determining the quantum of fee to be charged:

- a) complexity of the assignment;
 - b) time required to complete the assignment;
 - c) Risks associated with the assignment;
 - d) Skill, competence or area of expertise required to undertake and complete the assignment;
 - e) direct and indirect expenses, including overheads;
 - f) opportunity cost analysis;
 - g) fee usually charged by fellow professionals for similar assignment;
 - h) time limitations (deadline) imposed by the client;
 - i) the experience, reputation and seniority of the PCS, specifically for services relating to advisory or opinions;
 - j) limit on charging of fees under the statute (if any).
- (vi) Every PCS shall internally frame and adopt a policy for determination of fees which may prescribe the following:
- k) Minimum base fee for various professional services handled by the PCS;
 - l) Hourly rate for Proprietor or lead Partner of the firm and also for other Partners, Associates and other employees as per their designation.
 - m) Criteria to add mark-up on the base fee considering expertise, skill of the team or Partner of the firm, who is proposed to be engaged;
 - n) Invoicing and payment cycle including percentage of advance payment, if any;
 - o) Terms of payment, stages and timeline for payment;
 - p) Changes for office hours spent in travelling;
 - q) Collection of GST, wherever applicable.
- (vii) The PCS shall not respond to any tender issued by an entity or user of professional services in areas of services which are exclusive domain of Company Secretaries in practise recognised through any Act, rules, regulations or guidelines for signing, audit and Attestation

Services unless such tender document provides for minimum fee for the assignment.

- (viii) In order to ensure transparency in professional fees or cost for any professional services, the PCS shall before undertaking the assignment, either enter into terms of engagement prescribing professional fees or inform the Appointing Authority/Client beforehand about their professional fees and terms of payment. This will enable the customers to know the rates in advance, stage of payment and total cost of services. With regard to terms of appointment and engagement, the provisions of the ICSI Auditing Standards on Audit Engagement (CSAS-1) shall *mutatis-mutandis* apply to all professional engagements.
- (ix) The terms of engagement for professional services shall inter-alia provide:
 - a) The objective and scope of the engagement;
 - b) The reference to the law, if any;
 - c) Documents or written representations, if any to be provided by the Management to the PCS;
 - d) The estimated time period within which the assignment is to be completed by the PCS, along with milestones, if any;
 - e) The commercial terms regarding audit fees and reimbursement of expenses in connection with the assignment;
 - f) Limitations, if any.
- (x) The PCS must submit to the Client, an estimate of:
 - a) the scope of work he proposes to undertake;
 - b) the basis on which he proposes to charge fee;
 - c) the total fee he proposes to charge;
 - d) the manner in which he proposes to be paid including advances; and
 - e) the total costs he believes will be incurred.
- (xi) In addition to the fee, the PCS can charge necessary and reasonable direct costs for reimbursement of out of pocket expenses. However,

PCS should ensure that the out of pocket expenses incurred by him are reasonable. In order to determine the reasonability of such expenses, PCS should consider if the expenses are:

- a) directly related to the service(s);
 - b) in furtherance of the exercise of the functions, professional standards and the terms of engagement;
 - c) determined on an arms' length basis, in consonance with the requirements of integrity and independence; and
 - d) in consonance with his duties under the Act and the Regulations
- (xii) The PCS should provide the details of any work that is intended to be sub-contracted out (if any) which would normally be carried out by the PCS and an explanation of why it is being done.
- (xiii) The PCS must maintain written records to demonstrate full details of the work done and its correlation to the fee charged.

7.4 Immunity

The PCS shall be at liberty to determine his own scale of fees for rendering professional services. This guidance shall be treated as guiding principles while fixing the fees and process for determination of professional fees. The PCS shall not incur any liability under the Code of Conduct as laid down under Schedule I & II of the Act and the Regulations framed thereunder unless the conduct is a misconduct under any other provisions of the Act, Rules and Regulations.

CHAPTER VIII

MISCELLANEOUS

8.1 Consequences of Violation

Any non-compliance with these Guidelines shall render the Company Secretary in Practice liable for action under the Company Secretaries Act, 1980 read with Part II of the Second Schedule to the Company Secretaries Act, 1980.

8.2 Transition

- i. Wherever required, transition provisions have been incorporated in the Guidelines.
- ii. For all other provisions, every Company Secretary in Practice shall comply with the Guidelines within three months of commencement of these Guidelines.

8.3 Removal of Difficulties

If any difficulty arises with respect to the observance/interpretation of these Guidelines, or some unforeseeable circumstances occur which have not expressly been provided for in these Guidelines, then Council of the Institute shall be the competent authority to issue directions as may appear necessary or expedient for carrying out the objectives of these Guidelines.

ANNEXURES

Annexure 3A

FORM - D APPLICATION FOR THE ISSUE/RENEWAL/RESTORATION OF CERTIFICATE OF PRACTICE *See Reg. 10 & 14 For any change in address please go to 'change of address' link under manage account by login through Member's portal (For the Financial Year 2023-24)		
To The Secretary, The Institute of Company Secretaries of India 'ICSI HOUSE', 22, Institutional Area, Lodi Road, New Delhi -110 003 Sir,		
I furnish below my particulars :		
(i) Membership Number	FCS: ACS:	
(ii) Name in full	Mr./Ms./Dr.	
(in block letters)	Surname	Middle Name Name
(iii) Date of Birth:		
iv) Professional Address: Please attach office address proof		
(v) Phone Nos. (Resi.)		(Off.)
(vi) Mobile No		Email id
(vii) Website of the member, if any		
(viii) Details of Professional Qualifications		

1. Submitted for (tick whichever is applicable): (a) Issue# _____ (b) Renewal _____ (c) Restoration _____ # Completion of Orientation Programme is a pre-requisite for issuance of Certificate of Practice as per the Company Secretaries (Amendment) Regulations, 2020			
2. (a) Particulars of Certificate of Practice issued/surrendered/Cancelled earlier			
Sl. No.	Certificate of Practice No.	Date of issue of CP	Date of surrender/ Cancellation of CP
(b) Unique Code Number (i) Individual (ii) Proprietorship concern (iii) Partnership firm (iv) LLP			
3. Area of Practice			
Sl. No.	Area of Practice	Please tick (If Applicable)	
1	Corporate Law		
2	Financial Service and Consultancy		
3	Securities/Commodities Exchange Market		
4	Finance including Project/Working Capital/Loan Syndication (Specify the areas handling)		
5	Corporate Restructuring (Handling Merger, acquisitions, demerger issues etc). Specify the areas handling as drafting of scheme, appearing before various regulatory bodies for approval of scheme, getting the scheme implemented, legal compliances with various regulatory bodies etc)		
6	Excise/Customs/Service Tax (Filing of returns, Handling assessment, appearing before the appellate authority)		

7	Sales Tax/VAT Practice (Filling of returns, Handling assessment, appearing before the appellate authority)	
8	Income Tax Practice (Filling of returns, Handling assessment, appearing before the appellate authority)	
9	Company Law Practice (Filling of returns, Handling assessment, appearing before the appellate authority)	
10	Foreign Exchange Management (Specify the areas being handled i.e. filling of various forms/ returns, appearing before RBI etc)	
11	Foreign Collaborations & Joint Ventures	
12	Intellectual Property Rights (Specify the areas being handled)	
13	Depositories	
14	Monopolies/Restrictive Trade Practices/ Competition Law	
15	Consumer Protection Laws	
16	Arbitration and Conciliation	
17	Import and Export Policy & Procedure	
18	Environment Laws (Specify the areas)	
19	Labour and Industrial Laws (Specify the areas)	
20	Societies/Trusts/Co-operative Societies & NCTs (Non Co-operative Trust Societies)	
21	Financial Consultancy	
22	Other Economic Laws	
23	SEBI/Securities Appellate Tribunal	
24	Banking and Insurance	

25	Areas of practice as prescribed under Regulation 168(2) may be added	
26	Authorised Collection Centre (ACC) for e-Stamping	
27	Any Other Service (Please specify)	

4. Verification:

- (i) I state that I am/shall be engaged in the profession of Company Secretary only on whole-time basis and not in any other profession, business, occupation or employment. I am not enrolled as an Advocate on the rolls of any Bar Council and do not hold certificate of practice from any professional body including Institute of Chartered Accountants of India and the Institute of Cost Accountants of India.*
- (ii) I hereby undertake that, I shall follow all the provisions of the Company Secretaries Act, 1980, regulations made thereunder as amended from time to time as well as the applicable guidelines, issued by the Institute from time to time.
- (iii) I state that as and when I cease to be in practice, I shall duly inform the Council and shall surrender forthwith the certificate of practice as required by the Company Secretaries Act, 1980, and the regulations made thereunder, as amended from time to time.
- (iv) I hereby undertake that, I shall adhere to the mandatory ceiling as regards issuing of Secretarial Audit Report (pursuant to Section 204 of the Companies Act, 2013) and certification/signing of Annual Return (pursuant to Section 92 of the Companies Act, 2013) in terms of the Guidelines for Issuing Secretarial Audit Report, Signing and Certification of Annual Return respectively issued by the Institute from time to time.
- (v) I hereby declare that I have complied with KYC/KYM norms issued by the Council of the ICSI.
- (vi) I undertake to subject myself to peer review as and when directed by the Peer Review Board.
- (vii) (a) I state that I have been/have not been peer reviewed for the year _____ and a certificate no. _____ dated _____ has been issued to me by the Peer Review Board.**

(vii) (b) I state that I have a sole proprietorship firm in the name and style of _____ w.e.f. _____, which has been/has not been peer reviewed for the year _____ and a certificate no. _____ dated _____ has been issued to the firm by the Peer Review Board.**

(vii) (c) I state that I have a partnership in the name and style of _____ w.e.f. _____ having the following other partners:

1. Name _____
ACS/FCS _____ CP No. _____
2. Name _____
ACS/FCS _____ CP No. _____
3. Name _____
_ ACS/FCS _____ CP No. _____,
which has been/has not been peer reviewed for the year _____ and a certificate no. _____
dated _____ has been issued to the firm by the Peer Review Board.**

(vii) (d) I state that I have a LLP in the name and style of _____ w.e.f. _____ having the following other partners:

1. Name _____
ACS/FCS _____ CP No. _____
2. Name _____
ACS/FCS _____ CP No. _____
3. Name _____
_ ACS/FCS _____ CP No. _____,
which has been/has not been peer reviewed for the year _____ and a certificate no. _____
dated _____ has been issued to the firm by the Peer Review Board.**

(viii) I state that I have issued _____ nos. advertisements during the year _____ (previous FY) in accordance with

the Guidelines for Advertisement by Company Secretary in Practice issued by the Institute.**

(Please write 0 if not applicable)

- (ix) I state that I have issued _____ nos. Corporate Governance compliance certificates under Clause 49 of the Listing agreement during the year _____ (previous FY).**

(Please write 0 if not applicable)

- (x) I state that I have issued _____ nos. Reconciliation of Share Capital Audit Report on quarterly basis of _____ nos. Companies under Section 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 during the year _____ (previous FY).**

(Please write 0 if not applicable)

- (xi) I state that I have undertaken _____ nos. Secretarial Audits under Section 204 of the Companies Act, 2013 as per list attached in the format as under during the year _____ (previous FY).**

Sl. No.	Name of the Company	CIN No. of Company	Date of Signing
1.			
2.			
3.			

(Please write 0 if not applicable)

- (xii) I state that I have issued _____ nos. certificates of Annual Return during the year _____ (previous FY) in accordance with the Guidelines for Issuing Secretarial Audit Report, Signing and Certification of Annual Return issued by the Institute from time to time.**

(Please write 0 if not applicable)

- (xiii) I declare that I have been maintaining a register of attestation/certification services rendered by me/my firm in accordance with the Guidelines for Requirement of Maintenance of a Register of Attestation/Certification Services Rendered by Practising Company

Secretary/Firm of Practising Company Secretaries issued by the Institute.**

(xiv) I declare that I have been given UDIN issued by the Institute for every document signed or certified by me towards attestation/certification services rendered by me as a practising company secretary.** **“The details of UDIN generated are as follows:”**

(xv) I declare that I have completed the Orientation Programme as required under the Company Secretaries (Amendment) Regulations, 2020.* vide Certificate No. _____ organised by _____ from _____ (date) to _____ (date).

(xvi) “I affirm to have adhered to the Auditing Standards issued by ICSI for audits undertaken by me.”

5. I hereby declare that I have secured _____ no. of Credit Hours with a self-certification affirming that I have attended the professional development programmes mentioned therein held during the financial year.

6. I further declare that the particulars furnished above are true and correct.

Place:

Date:

Any relevant/additional document

* In case of issue of Certificate of Practice, following documents are required:

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

- Copy of Orientation programme completion certificate
- Copy of the relieving letter in case earlier in employment.
- Copy of Form DIR 12 regarding cessation of employment in case working earlier as Company Secretary.
- Copy of letter of cancellation of Certificate of Practice of other professional bodies (if applicable).
- Self declaration duly signed by applicant that not in employment as on application date.

Annexure 3B

FORM E

CP _____

Certificate of Practice
[See Reg. 10(2)]

This is to certify that _____ of _____
Bearing A.C.S./F.C.S. No. _____ is entitled to practice as
Company Secretary.

This certificate is issued subject to the provisions of the Company Secretaries
Act, 1980 and the regulations framed thereunder, as amended from time to
time and shall be effective from _____ day of _____ 20_____ and
is renewable on year to year basis.

Given under the common seal of the Institute of Company Secretaries of
India, this _____ day of Two thousand and _____
Secretary President

Annexure 3C

Format of Affidavit for issuance of duplicate certificate of practice to be executed on a non-judicial stamp paper of Rs. 20/- and attested by Notary Public/Oath Commissioner/1st class Magistrate.

AFFIDAVIT

I _____ S/o/D/o/W/o _____
aged about _____ Resident of _____
having professional address at _____
do hereby solemnly affirm and declare as under:-

1. That I am an ACS/FCS member of The Institute of Company Secretaries of India having membership no. _____ w.e.f. _____.
2. That I was issued/in possession of Certificate of Practice issued by the Institute of Company Secretaries of India on _____.
3. That the said certificate has been misplaced/lost due to _____

(state reason here).
4. That in case of the said original certificate is found, I shall immediately return the duplicate certificate to the Institute of Company Secretaries of India.

DEPONENT

VERIFICATION

Verified that the contents of the above affidavit are true and correct to the best of my knowledge and belief and nothing has been concealed therefrom

Verified at _____. on this _____..day of _____

DEPONENT

Annexure 4A

FORM 1

FORMS FOR GIVING PARTICULARS OF OFFICE AND FIRMS

[SEE REGULATION -165]

1. Name of the company secretary or firm of company secretary in practice

2. Name(s) of the proprietor/partners of the firm with membership number(s)

3. Date of Commencement of Firm_____

4. Address of the head office of the company secretary/firm

Pin Code: _____

5. *Addresses of branch offices of the company secretary/firm, if any *

Pin Code: _____

6. *The date(s) of opening of branch office(s)

7. Name of the member In-charge of each of the office i.e. Head office & Branch Office(s), with membership no.

8. Whether any of the members mentioned in column 7 above are in charge of any other office of company secretary or a firm of such company secretar(ies) and whether any of them is engaged in full time or part time occupation elsewhere. If so, full particulars should be given

9. Name(s) of the member(s) of the Institute with membership number(s) who is/are working as paid assistant(s) in the firm/under the company secretary in practice and date of joining of each member

Place:

Signature

Date:

of the Company Secretary/Partners
of the firm with Membership Number

N.B. This form must be signed by all partners. Until this is done, the existence of partnership or change relating thereto will not be recognised. An attested copy of the partnership deed should be sent with this form duly authenticated by a partner of the firm.

* Strike off whichever is not applicable

Annexure 4B

SUGGESTIVE FORMAT OF COMBINATION OR MERGER AGREEMENT

We, (1)..... (2) (3) partners of (1) M/s. A & Co. (2) M/s. B & Co. & (3) execute this Merger Agreement on this ____ day of _____, at _____:

1. M/s A & Co., a Partnership/Proprietorship firm of Company Secretaries having its registered Head Office at _____, duly registered with the Institute of Company Secretaries of India vide Unique Code _____ in _____ region (which expression shall include its successors, heirs and assigns).

The date of establishment, name of the partners, their membership no.(s), are as follows:-

- Date of establishment
- Name of the Partners Membership No.

2. M/s B & Co., a Partnership/Proprietorship firm of Company Secretaries having its registered Head Office at _____, duly registered with the Institute of Company Secretaries of India vide Firm No. _____ in _____ region (which expression shall include its successors, heirs and assigns).

The date of establishment, name of the partners, their membership no.s, are as follows :-

- Date of establishment
- Name of the Partners Membership No.

3.

Now, therefore, in consideration of mutual promise herein made and the consideration hereunder expressed, the parties hereto mutually covenant and agree as follows:

1. That the name of the merged firm will be _____ and the date of establishment of the merged firm is the date of establishment of the firm i.e. _____/ _____(the date of establishment of current year) .

2. That this merger will come into force w.e.f. _____ ,
whereafter, the merging firm(s) i.e. M/s A & Co., and M/s B &
Co. either both or any one may cease to exist and a separate
partnership deed has been executed on _____ amongst the
partners of the merged firm.
3. That the following persons are the partners of the merged firm:
- 1. _____ Membership No. _____
 - 2. _____ Membership No. _____
 - 3. _____ Membership No. _____
 - 4. _____ Membership No. _____
 - 5. _____ Membership No. _____
 - 6. _____ Membership No. _____
 - 7. _____ Membership No. _____
 - 8. _____ Membership No. _____

IN WITNESS WHEREOF, the Partners of the Merged firm M/s.....
hereto set their hands on this agreement in the presence of the witnesses.

WITNESSES :	(i) _____
1.	(ii) _____
	(iii) _____
2.	Partners of M/s.....

Annexure 5A

Suggestive Format of intimation to be given to the previous incumbent (Company Secretary):

Following format may be used by Company Secretaries under Clause 8 of the First Schedule of the Company Secretaries Act, 1980.

CS _____

Address _____

Dear Sir/Madam,

Sub.: Intimation in terms of Clause 8 of the First Schedule to the Company Secretaries Act, 1980

I, CS _____/We, M/s. _____, Company Secretary in Practice/
Firm of Company Secretaries have been approached by the management of
M/s. _____ Limited to _____ (list of professional services)
for the FY _____ vide their letter No. _____ dated _____
We understand that earlier the abovementioned professional services were
being rendered by your goodself/firm to _____ Limited during the
Financial Year _____.

I/We request you to kindly take this communication as an intimation to be
given to the previous incumbent in terms of Clause 8 of the First Schedule
to the Company Secretaries Act, 1980.

Regards,

CS _____

Membership No. ACS _____/FCS _____

CoP No. _____

For _____ & Co./& Associates, Company Secretaries

Firm Unique Code _____

Date: _____

Place: _____

APPENDICES

APPENDIX 1

ICSI Unique Document Identification Number (UDIN) Guidelines, 2019

(As approved by the Council in its 261st (Special) Meeting held on 27th June, 2019 at New Delhi and amended by the Council in its 263rd Meeting held on 23rd September, 2019 at New Delhi and further amended by the Council in its 269th (Adjourned) Meeting held on 13th July, 2020, and further amended by the Council in its 278th Meeting held on 26th July, 2021, and further amended by the Council in its 279th (Special) Meeting held on 31st August, 2021 and further amended by the Council in its 299th Meeting held on 23rd August, 2023)

In exercise of the powers conferred by Clause (1) of Part II of the Second Schedule to the Company Secretaries Act, 1980 as amended by the Company Secretaries (Amendment) Act, 2006, the Council of the Institute of Company Secretaries of India hereby issues the following guidelines:-

1. Short Title

These Guidelines [shall]¹ be called the ICSI Unique Document Identification Number (UDIN) Guidelines, 2019.

2. Objective

The objective of issuing these Guidelines is to:-

- (a) enable the stakeholders to verify the authenticity of various documents certified by Company Secretaries in Practice;
- (b) prevent counterfeiting of various attestations/certifications;
- (c) provide ease of maintaining the Register of Attestation/Certification services rendered by practicing members;
- (d) ensure compliance of the Guidelines issued by the Institute w.r.t ceilings on the number of the various certification/attestation services that may be rendered by the practitioners;
- (e) auto-prefill details of Certification/Attestation services rendered by practicing members in the form for renewal of Certificate of Practice.

1. Substituted for the word 'may' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

3. Applicability

- (a) [Registration on the UDIN portal shall be mandatory at any time after issue of Certificate of Practice ('COP') but before generating the first UDIN or before the renewal of COP by a Practising Company Secretary (hereinafter referred to as 'the PCS'), whichever is earlier.]²
- (b) UDIN shall be generated for the following services rendered by a PCS:
 - (i) Certification of Annual Return in Form MGT-8 under Section 92(2) of the Companies Act, 2013 and Rule 11(2) of the Companies (Management and Administration) Rules, 2014.
 - (ii) Issuance of Secretarial Audit Report in terms of Section 204 of the Companies Act, 2013 [read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]³.
 - (iii) Issuance of Secretarial Audit Report to material unlisted subsidiaries of listed entities (whose equity shares are listed) in terms of Regulation 24A of SEBI (LODR) Regulations, 2015.
 - (iv) Issuance of Annual Secretarial Compliance Report to Listed entities (whose equity shares are listed) under SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019.
 - (v) Certification under [Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the]⁴ SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority [*under Scheduledeleted*]⁵.

2. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

3. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

4. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

5. Words deleted 'under Schedule V, Part C, Clause (10)(i)' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

- (vi) Certification under Regulation 40(9) of SEBI [(Listing Obligations & Disclosure Requirements)]⁶ Regulations, 2015, certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.
- (vii) Conduct of Internal Audit of Operations of the Depository Participants registered with [National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL)]⁷ under the Bye Laws issued by NSDL and CDSL.
- (viii) Certification under Regulation [75]⁸ of SEBI (Depositories and Participants) Regulations, 2018 for Reconciliation of Share Capital Audit.
- (ix) Acting as Compliance Auditor under third party certification/ Audit Scheme (Amendment), 201[8]⁹ in the State of Haryana.
- (x) Diligence reporting for Banks in case of multiple banking/ consortium lending arrangements in terms of the circular issued by RBI.
- (xi) Conduct of Internal Audit of the stock brokers/sub brokers under SEBI Circular no. MIRSD/DPSIII/Cir-26/08 dated 22nd August, 2008 and MRD/DMS/Cir-29/2008 dated 21st October, 2008.
- (xii) Issuance of Certificate in case of the Indian company accepting the investment from a foreign investor, thereby confirming compliance of Companies Act, 2013 and other matters (As per [Notification No. FEMA 20(R)/2017-RB dated 07 November, 2017]¹⁰).
- (xiii) [Compliance Certificate regarding compliance of conditions of Corporate Governance as prescribed under [Regulation 34(3),

6 Substituted for 'LODR' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

7 Substituted for 'NSDL and CDSL' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

8 Substituted for '76' by the Council of ICSI at its 299th Meeting held on 23rd August, 2023

9 Substituted for the year '2016' by the Council of ICSI at its 299th meeting held on 23rd August, 2023.

10 Substituted for the words 'Para(1) (B) (i) of Schedule 1 to Notification No. FEMA 20/2000-RB dated 3rd May 2000' by the Council of ICSI at its 299th meeting held on 23rd August, 2023

Schedule V, Part E of]¹¹ the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.]¹²

- (xiv) [[Signing]¹³ of Annual Return in Form MGT-7 [through digital signature certificates (DSC)]¹⁴ under Section 92(1) of the Companies Act, 2013 and Rule 11(1) of the Companies (Management and Administration) Rules, 2014.]¹⁵
- (xv) [Due Diligence Report under Regulation 10 (3) of the SEBI (Delisting of Equity Shares) Regulations, 2021.
- (xvi) Certificate relating to shares held by inactive shareholders under Regulation 21(a) (iii) of the SEBI (Delisting of Equity Shares) Regulations, 2021.
- (xvii) Compliance Certificate under Regulation 10(b), 13, 26, 27, 36 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- (xviii) Scrutiniser's report pursuant to Section 108 of the Companies Act, 2013 read with Rule 20(4)(ix) and Rule 20(4)(xii) of Companies (Management and Administration) Rules, 2014.
- (xix) All other Reports, Returns and Certificates which are prescribed to be certified or issued under any applicable law or rules or regulations made thereunder.]¹⁶

Provided further that the PCS may generate the UDIN for any other

11. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

12. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

13. Substituted for the word 'Certification' by the Council at its 278th Meeting held on 26th July, 2021. Amendment effective from 26th July, 2021.

14. Inserted by the Council at its 278th Meeting held on 26th July, 2021. Amendment effective from 26th July, 2021.

15. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

16. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

[document]¹⁷ which are not listed above and [are]¹⁸ not mandatory as per these guidelines. [*on voluntary.....deleted*]¹⁹.

[Provided further that the UDIN generated for all e-forms, including Form MGT-7 shall remain valid for further period of seven days from the effective date of UDIN and the same can be digitally signed by the PCS during those seven days.]

Illustration [1]²⁰: UDIN is generated on 1st March, 2021 for MGT-7, effective date of this UDIN is 1st March 2021. This MGT-7 can be signed on any day upto 7th March, 2021 (both days inclusive).]²¹

[Illustration 2- UDIN generated on 1st Aug, 2021 for MGT-7, let's say to be signed on 1st Aug, 2021. In case of un-utilized UDIN, the same may be surrendered/cancelled by the PCS till 7th August, 2021.

Illustration 3- UDIN generated on 1st Aug, 2021 for MGT-7, let's say to be signed on 7th Aug, 2021. In case of un-utilized UDIN, the same may be surrendered/cancelled by the PCS till 13th August, 2021.

Illustration 4- UDIN generated on 1st Aug, 2021 for MGT-7, with an intention to sign on 6th August, 2021. UDIN so generated was placed on the form and sent to the Company for signatures of the Directors, but due to variable reasons the signed form is reverted, say on 8th Aug, 2021. In such a case, further period of seven (7) days from effective date is allowed, hence, the UDIN so generated shall be valid for additional seven days i.e. till 13th Aug, 2021. In case of un-utilized UDIN, the same may be surrendered/cancelled by the PCS till 12th August, 2021.

Explanation: Effective date for the purpose of these Guidelines shall mean as the date as mentioned by the user in the column "Date of signing", at

17. Substituted for 'form including any e-form document(s) or Certificate(s)' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

18. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

19. Words 'on voluntary basis' deleted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

20. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

21. Inserted by the Council at its 278th Meeting held on 26th July, 2021. Amendment effective from 26th July, 2021.

the time of generation of UDIN.]²²

[Provided further that the Practicing Company Secretaries (PCS) Committee of the Council of ICSI may from time to time decide the e-Form(s) or document(s) or Certificate(s) which are voluntary and their manner of presentation in the Option - 'Others' for the purpose of drop down menu in the UDIN portal for convenience of the members.

Provided further that PCS Committee may from time to time decide the details/fields/information to be provided in the UDIN portal for the purpose of registration/generation of UDIN as it may deem fit and proper.]²³

4. UDIN Generation

The PCS shall go to the designated website, and create a login id and password by entering the Membership Number, COP No., Phone No., Email id, AADHAR and Income Tax PAN.

- (i) The login id would be verified through a computer application.
- (ii) The UDIN shall be a system generated random alphanumeric number.
- (iii) No document shall be required to be uploaded.

5. Modalities

The modalities for operationalising these Guidelines are as under:

- (i) Only Members with a valid Certificate of Practice can register at the designated website;
- (ii) [UDIN cannot be generated unless the PCS is registered at the designated website as above];²⁴
- (iii) Only the member certifying the document may generate UDIN;
- (iv) Regulatory bodies and other stakeholders may verify the authenticity of documents certified by PCS by visiting the designated website;

22. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

23. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

24. Inserted by the Council of ICSI at its 263rd (Special) Meeting held on 23rd September, 2019. Amendment effective from 23rd September, 2019

- (v) No fee shall be charged for registration/generation of UDIN;
- (vi) UDIN shall be shared on registered Email id of the concerned Member or through any other electronic mode;
- (vii) Name of recipient of the professional service, CIN/LLPIN/PAN No. of client (as the case may be) shall be disclosed at the time of generation of UDIN;
- (viii) [UDIN shall be generated at the time of signing of Certificate/Report/Form/Other documents or seven days in advance to the date of such signing as above.

Illustration: A Certificate is signed on September 25, 2019. In such case, ideally the UDIN should be generated on September 25, 2019 but in exceptional cases, the UDIN may be generated 7 days in advance, i.e., any time during September 18, 2019 to September 25, 2019. Thereby providing a window of advance seven days for UDIN generation.]²⁵

- (ix) [UDIN once generated but not utilized may be surrendered/cancelled by the PCS within 7 days of such generation or the effective date of UDIN, whichever is later.]²⁶
- (x) [The PCS may apply for revocation of the UDIN not later than forty five days of its generation in case he is of the opinion or has reasons to believe that the facts have been misrepresented by the Company/client or there is some element of fraud which may render the Certification inaccurate and unreliable. Provided however that a notice of not less than seven days shall be given to the company/client before making an application for revocation to the Institute.]²⁷

[Provided that the PCS Committee may frame standard operating procedures and modalities or any scheme due to any specific circumstances to condone the delay on such terms and conditions as it may deem fit and proper and in case of such condonation, the

25. Inserted by the Council of ICSI at its 263rd (Special) Meeting held on 23rd September, 2019. Amendment effective from 23rd September, 2019

26. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

27. Inserted by the Council of ICSI at its 263rd (Special) Meeting held on 23rd September, 2019. Amendment effective from 23rd September, 2019

PCS shall not be liable for consequences of violation as mentioned in paragraph 8 of these guidelines.]²⁸

6. Quoting UDIN and Timelines

UDIN shall be mandatorily mentioned in the [Reports, Returns, Certificates]²⁹ and Other Documents along with the Certificate of Practice Number.

[In case of e Form MGT 7 as mentioned in paragraph 3 (b)(xiv) of these guidelines [or in case of any other]³⁰ e-Form(s) *[which are voluntarily... deleted]*³¹, the UDIN shall be mentioned by way of [attachment in the]³² optional attachment, unless any specific field for the same is provided by the law.]³³

These guidelines shall be mandatory w.e.f. 1st October, 2019.

*[Provided however that.....deleted]*³⁴

7. Renewal of Certificate of Practice

- (a) [Registration on the UDIN portal shall be mandatorily verified at the time of renewal of COP of a PCS and in case of non-registration immediate opportunity will be provided by the system to complete the registration before proceeding with the application for renewal of COP.

28. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

29. Substituted for 'Certificate, Report' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

30. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

31. Words deleted 'which are voluntarily chosen by the PCS as mentioned in the first proviso to paragraph 3 (b) of these guidelines' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

32. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

33. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

34. Words deleted 'Provided however that, these guidelines shall be recommendatory with immediate effect' by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

Provided that renewal of membership of ICSI will be permitted even if a PCS is not registered on the UDIN portal.]³⁵

- (b) [The details of UDIN generated by a PCS (including nil UDIN) during a Financial Year shall be auto-filled in the application Form [D]³⁶ for renewal of Certificate of Practice.]³⁷

*[Provided however that..... deleted]*³⁸

8. Consequences of violation

Any non-compliance with these Guidelines shall render the PCS liable for action under the Company Secretaries Act, 1980 read with First Schedule and Second Schedule to the Company Secretaries Act, 1980.

9. Confidentiality

The details uploaded by the PCS at the time of generating UDIN shall remain confidential and not be construed as “information” under the Right to Information Act, 2005.

[Provided that where the information is sought by the Council of the Institute, Board of Discipline of the Institute, Disciplinary Committee of the Institute, any of Regulatory agencies/authorities and the Government, such information shall be made available with the approval of the Competent Authority.]³⁹.

10. Removal of Difficulty

If any difficulty arises with respect to the observance/interpretation of

35. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

36. Inserted by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

37. Amended by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020, in lieu of “The details of UDIN generated by a PCS during a Financial Year shall be auto-filled in the application form for renewal of Certificate of Practice.” Amendment effective from 1st September, 2020.

38. Words deleted ‘Provided however that in case of application form for renewal of Certificate of Practice for the Financial Year 2020-21 the details of UDIN generated by a PCS during the six months period commencing from 1st October, 2019 will be auto-filled in the application form for renewal of Certificate of Practice and the data pertaining to the six month period upto and including 30th September, 2019 shall be required to be filled in by the PCS.’ by the Council of ICSI at its 279th (Special) meeting held on 31st August, 2021. Amendment effective from 1st October, 2021

39. Inserted by the Council of ICSI at its 299th Meeting held on 23rd August, 2023

these Guidelines, or some unforeseeable circumstances occur which have not expressly been provided for in these Guidelines, then the Secretary, ICSI shall decide the matter in consultation with President, ICSI and pass such orders as may appear necessary or expedient for carrying out the objectives of these Guidelines.

[Provided further that all matters dealt with under this paragraph shall be placed before the PCS Committee for information and passing necessary instructions wherever necessary.]⁴⁰

40. Inserted by the Council of ICSI at its 269th (Adjourned) Meeting held on 13th July, 2020. Amendment effective from 1st September, 2020

APPENDIX 2

Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice¹

(As amended by the Council in its 287th (Special) Meeting held on 26-27 August, 2022 at New Delhi)

1. Introduction

The Company Secretaries Act, 1980 (the Act) was enacted to make provision for the regulation and development of the profession of Company Secretaries. The Institute of Company Secretaries of India set up under the said Act has been conducting examinations and prescribing standards for adherence by its members.

The concept of whole-time practice, which gained its initial recognition in 1988, got further momentum after the enactment of the Companies (Amendment) Act, 2000 which required Compliance Certificate to be issued by Practicing Company Secretary for certain size of companies. Members in practice are also being recognised for issuing certificates under various laws.

The Council of the Institute (hereinafter called the 'Council'), therefore, in its 202nd meeting held on 25th and 26th August, 2011 decided to introduce Peer Review for Practicing Company Secretaries to periodically review the Practice Units and evaluate the quality, sufficiency of systems, procedures and practices, so that excellence in their performance can be maintained.

The Council has been constituted under the Company Secretaries Act, 1980 for discharging the functions assigned to the Institute under the Act. Section 15(1) of the Act provides that "The Institute shall function under the overall control, guidance and supervision of the Council and the duty of carrying out the provisions of the Act shall be vested in the Council", and enumerates various other duties of the Council. With a view to regulate the profession of Company Secretaries and in terms of the powers vested, the Council is authorised to issue guidelines for Peer Review and also modify/amend/adopt new guidelines from time to time. These guidelines serve as a mechanism

1. Effective from 15th September, 2022

intended to further enhance the quality of professional services rendered by Practicing Company Secretaries over a period of time, thereby ensuring that the profession of Company Secretaries continues to serve the society in the manner envisaged.

2. Objectives

- 2.1 The main objective of Peer Review is to ensure that in carrying out their professional assignments; the Practice Units (a) comply with the ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute and (b) have in place proper systems (including documentation systems) for maintaining the quality of the professional assignments undertaken by it.
- 2.2 Peer Review is directed towards maintenance as well as enhancement of quality of Attestation and Audit Services and to provide guidance to members to improve their performance and adhere to various statutory and other regulatory requirements. Essentially, through a review of Attestation and Audit Services engagement records, Peer Review identifies the areas where a practicing member may require guidance in improving the quality of his/her performance and adherence to various requirements as per ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute.
- 2.3 These guidelines provide a framework of the Peer Review process and the expectations from members in practice during the process of Peer Review.

3. Key Definitions - For the purpose of these guidelines

- 3.1 Associate - Subject to the provisions of Part I of the First Schedule to the Company Secretaries Act, 1980 an “associate” includes any member holding Certificate of Practice and signing [in the style “Associate of [Individual/Firm/LLP Name]”] on behalf of a Practice Unit with whom such member is in partnership or in employment.
- 3.2 Attestation and Audit Services in relation to the Peer Review, means the following services as per the law applicable as on date ‘or’ such other laws as may be in force -

- (i) Certification of Annual Return in Form MGT-8 under Section 92(2) of the Companies Act, 2013 and Rule 11(2) of the Companies (Management and Administration) Rules, 2014.
- (ii) Issuance of Secretarial Audit Report in terms of Section 204 of the Companies Act, 2013 [read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- (iii) Issuance of Secretarial Audit Report to material unlisted subsidiaries of listed entities (whose equity shares are listed) in terms of Regulation 24A of SEBI (LODR) Regulations, 2015.
- (iv) Issuance of Annual Secretarial Compliance Report to Listed entities (whose equity shares are listed) under SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019.
- (v) Certification under [Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the] 4 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority
- (vi) Certification under Regulation 40(9) of SEBI [(Listing Obligations & Disclosure Requirements)] Regulations, 2015, certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.
- (vii) Conduct of Internal Audit of Operations of the Depository Participants registered with [National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL)] under the Bye Laws issued by NSDL and CDSL.
- (viii) Certification under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 for Reconciliation of Share Capital Audit.
- (ix) Acting as Compliance Auditor under third party certification/ Audit Scheme(Amendment), 2016 in the State of Haryana.
- (x) Diligence reporting for Banks in case of multiple banking/ consortium lending arrangements in terms of the circular issued by RBI.

- (xi) Conduct of Internal Audit of the stock brokers/sub brokers under SEBI Circular no.MIRSD/DPSIII/Cir-26/08 dated 22nd August, 2008 and MRD/DMS/Cir-29/2008 dated 21st October, 2008.
- (xii) Issuance of Certificate in case of the Indian company accepting the investment from a foreign investor, thereby confirming compliance of Companies Act, 2013 and other matters (As per Para 9 (1) (B) (i) of Schedule 1 to Notification No. FEMA 20/2000-RB dated 3rd May 2000).
- (xiii) Compliance Certificate regarding compliance of conditions of Corporate Governance as prescribed under [Regulation 34(3), Schedule V, Part E of] 8 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (xiv) Signing of Annual Return in Form MGT-7 [through digital signature certificates (DSC)] 11 under Section 92(1) of the Companies Act, 2013 and Rule 11(1) of the Companies (Management and Administration) Rules, 2014.
- (xv) Due Diligence Report under Regulation 10 (3) of the SEBI (Delisting of Equity Shares) Regulations, 2021.
- (xvi) Certificate relating to shares held by inactive shareholders under Regulation 21(a) (iii) of the SEBI (Delisting of Equity Shares) Regulations, 2021.
- (xvii) Compliance Certificate under Regulation 10(b), 13, 26, 27, 36 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- (xviii) Scrutiniser's report pursuant to Section 108 of the Companies Act, 2013 read with Rule 20(4)(ix) and Rule 20(4)(xii) of Companies (Management and Administration) Rules, 2014.
- (xix) All other Reports, Returns and Certificates in respect of which generation of UDIN is mandatory in terms of the ICSI Unique Document Identification Number (UDIN) Guidelines, 2019.

3.3 Concurrent Records - means the records relating to the professional assignments, such as correspondence of the Practice Unit with its clients, query letters, information sought from clients, engagement letters, forms uploaded on regulators' database, details of Board and

General meetings, copies of paid challans and intimation to prior incumbent (wherever applicable) in terms of clause 8 of Part I of Schedule I to the Company Secretaries Act, 1980.

- 3.4 Engagement Records - means the permanent records and concurrent records relating to the professional assignments and the letters of engagement (as specified in the ICSI Auditing Standards) issued to the Practice Units.
- 3.5 Firm - means a sole proprietor, partnership, Limited Liability Partnership (LLP) or any other entity of professional Company Secretaries as may be permitted by law and constituted under The Company Secretaries Act, 1980 & Regulations made thereunder.
- 3.6 Member - means a member of the Institute of Company Secretaries of India in terms of the Company Secretaries Act, 1980.
- 3.7 Partner - includes any individual holding Certificate of Practice, with authority to bind the firm with respect to the performance of a professional services assignment.
- 3.8 Practice Unit - means members in practice practicing individually in own name, or as a sole proprietorship, partnership, Limited Liability Partnership (LLP) or any other entity of professional Company Secretaries registered with the Institute and bearing a Unique Identification Number.
- 3.9 Peer Review - Means an examination and review of the systems, procedures and practices to determine whether they have been put in place by the Practice Unit for ensuring the quality of Attestation and Audit Services as envisaged and implied/mandated by the ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute and whether these were effective or not during the period under review.
- 3.10 Peer Review Committee - means Committee/Board established by the Council in terms of these Guidelines to carry out the purposes of these Guidelines. The expression "Peer Review Committee" is hereinafter referred to as "Committee/PRC/Board/PRB".
- 3.11 Permanent Records - include KYC, master data on Ministry of Corporate Affairs website, signatory details, details of CIN, DIN,

authorised and paid up capital, information available on regulators' database, etc.

3.11A Qualified Assistant - means a person assisting the reviewer for carrying out peer review and who

- (a) is a member of the Institute,
- (b) has not been held guilty of misconduct under the Company Secretaries Act, 1980, (c) is a partner or Associate of the Peer Reviewer.

Provided that the details of the Qualified Assistant are furnished by the Peer Reviewer to the Peer Review Committee and the Practice Unit before accepting the peer review assignment.

3.12 Regulator - means Government or any regulatory body constituted by the Parliament or State Legislature who is/are empowered to regulate the Acts, which include various attestation and audit services which the Council may, from time to time, prescribe to cover as attestation and audit services for the purpose of peer review.

3.13 Reviewer or Peer Reviewer - means any member engaged, to carry out Peer Review, from the panel of Peer Reviewers as maintained by the Committee.

3.14 *Deleted*

3.15 *Deleted*

3.16 Words and expressions used and not defined in these guidelines shall have the meanings assigned to them under the Company Secretaries Act, 1980 and the Company Secretaries Regulations, 1982 framed thereunder and as amended from time to time or in case of absence under the Companies Act, 2013 or any other law for the time being in force.

4. Authority of the Guidelines on Peer Review

4.1 The guidelines on Peer Review shall apply to all or any of the following cases:

- a. Whenever Peer Review is mandated on the Instructions of Government/Regulators/Statutory Bodies

- b. Whenever Peer Review is requested voluntarily by the Practice Unit
- c. Whenever Peer Review is conducted on the basis of random selection
- d. Upon the recommendation of the Committee of Discipline/ Disciplinary Committee of ICSI/Quality Review Board/Council of ICSI

4.2 The Guidelines on Peer Review are issued in relation to the Peer Review of Attestation and Audit Services, so as:

- to prescribe and propagate an appropriate mechanism for ensuring the quality of professional assignments and guide the members to conduct themselves in a manner that the Council considers appropriate;
- to provide guidance in relation to the powers and obligations with respect to the parties involved in Peer Review;
- to prescribe the scope of Peer Review and the procedures to be adopted during the conduct of Peer Review; and
- to establish the expected conduct of members during Peer Review.

5. Powers of the Council

The powers of the Council shall include -

- To constitute the Committee and to fill in the vacancies arising in the Committee from time to time.
 - To decide upon, from time to time, the ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute, the implementation of which will fall within the purview of the Peer Review process.
- ☐ To refer such matters to the Committee as the Council may deem fit.

6. Peer Review Committee

6.1 Constitution and Appointment

- (1) The Committee shall be constituted by the Council.

- (2) The Committee shall consist of not less than seven members to be appointed by the Council, of whom at least four shall be from amongst the Members of the Council.
- (3) The balance members of the Committee shall be drawn from amongst members of high integrity and reputation, including but not limited to, former public officials, regulatory authorities etc.
- (4) The Council shall appoint the Chairperson and the Vice- Chairperson from amongst the Members of the Council.
- (5) At least one-half of Council Members on the Committee shall hold Certificate of Practice.
- (6) Deleted
- (7) Any vacancy(ies) on the Committee shall be filled in by the Council.
- (8) Members of the Disciplinary Committee or Committee of Discipline of the Institute of Company Secretaries of India shall not concurrently serve on the Committee.

6.2 Meetings

- (1) No business shall be transacted at a meeting of the Committee unless there are present at least three members, including the Chairperson or, in his absence, the Vice-Chairperson.
- (2) If there is no quorum within half an hour of the time fixed for the meeting, the meeting shall stand adjourned to a date, time and place fixed by the Chairperson or, in his absence, the Vice-Chairperson.
- (3) The Committee shall have a minimum number of four meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Committee.
- (4) Members may attend the meeting through Video Conferencing or any other audio visual means provided the member intimates his/her intention of attending the meeting through Video Conferencing to the Secretariat preferably not less than 48 hours before the scheduled time for the meeting.

6.3 Reporting

The Minutes of the Meetings of the Committee shall be circulated amongst the members of the Council for noting.

7. Scope of Peer Review

7.1 The Peer Review process is directed to the Attestation and Audit Services of Practice Units.

- (1) Once a Practice Unit is selected for review, its engagement records pertaining to the immediately preceding financial year shall be subject to review.
- (2) The Review shall focus on:
 - (i) Compliance with ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute;
 - (ii) Quality of Reporting;
 - (iii) Office systems and procedures; and
 - (iv) Training Programs for staff (including trainees), including appropriate infrastructure.

8. Powers of the Committee

The Committee shall exercise such powers as provided in these guidelines for the purpose of discharging its duties under the provisions of these guidelines.

- 8.1 The duty of carrying out the provisions of these guidelines shall be vested in the Committee.
- 8.2 In particular, and without prejudice to the generality of the foregoing powers, the duties of the Committee shall include:
 - (1) To call for information from Practice Units in such form, as it deems fit.
 - (2) To maintain a panel of Peer Reviewers.
 - (3) To define the terms of appointment of the Reviewers.
 - (4) To send a Panel of at least 5 (five) Peer Reviewers (from the panel maintained in terms of these Guidelines) to the Practice Unit and allow the Practice Unit to choose any one Reviewer from the panel so forwarded and if the Practice Unit is unable to choose any one Reviewer from the panel so sent, to send another Panel of 5 Peer Reviewers.

Provided that if the PU does not choose any one name from the panel of 5 or 10 Peer Reviewers (as the case may be), then the Practice Unit may make a specific request to the Committee to provide names of Reviewers from outside the State/Region where the Practice Unit has its place of business, in which case the PU shall, in addition to the payment of fees to the Reviewer, bear extra costs that would be incurred for travelling, stay and other expenses.

Provided further that, in case no peer reviewers are available in the city or in close proximity to the PU, the PU may choose any reviewer from out of the panel maintained by the Committee, in which case the PU shall be liable to pay the travelling, stay and other expenses to the Peer Reviewer in addition to the Peer Review fee.

- (5) To examine the aspects of basis of selection of records pertaining to the Attestation and Audit Services in terms of the ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute.
- (6) To arrange for such training programs for Reviewers and orientation programmes for practice unit(s) as may be deemed appropriate;
- (7) To prescribe the system, practice and procedure to be observed while conducting Peer Review and reporting thereon; and
- (8) On considering the Report of a Reviewer, to do any or all of the following:
 - (a) To issue recommendations to the Practice Unit;
 - (b) To order further Peer Review to be carried out;
- (9) After considering the report of the Reviewer and compliance of recommendations by the Practice Unit, wherever deemed appropriate by the Committee, to issue Peer Review Certificate, either in physical or digital mode.
- (10) To guide the members on best practices on Peer Review including issuance of advisories to the Peer Reviewer and the Practice Unit.

- (11) Such other action(s) as may be necessary for the fulfilment of these Guidelines.
- 8.3 Where deemed appropriate, the Committee shall have the powers to make recommendations to the Council on:
- (i) Measures for improvement of quality of professional services by members.
 - (ii) Guidance to be provided to the members for further improvement in quality of Attestation and Audit Services.
- 8.4 The Committee may perform any other duties or acts as may be incidental to, or, which it considers necessary or expedient for the performance of its functions or exercise of its powers as delegated to it by the Council, including the formation of sub-committees and regional councils of the Committee for specific tasks.

9. Compliance with Peer Review Guidelines

- 9.1 Practice Units are required to comply with the provisions of these Guidelines. Practice Units failing in this regard will be required to undergo appropriate review of their quality controls by the Committee in terms of such specific directions as may be given to it by the Council in these regards from time to time and as notified to the members.
- 9.2 Practice Units failing to comply with these Guidelines shall be liable for disciplinary action as provided under the Company Secretaries Act, 1980.
- 9.3 Both the Peer Reviewers as well as the Practice Units shall adhere to the timelines for Peer Review as mandated by the Committee from time to time.

10. Qualifications of the Reviewer

- 10.1 The nature and complexity of Peer Review require the exercise of professional judgement. Accordingly, an individual to be empanelled as Peer Reviewer shall:-
- a) be a member with at least 10 years of post qualification experience as Company Secretary; and out of the 10 years of post qualification experience, should have been in practice for a continuous period of not less than five years at the time of empanelment.

- b) be currently holding Certificate of Practice as issued by the Institute;
- c) have undergone the Training Programme for Peer Reviewers and qualified the Certification Programme for Peer Reviewers organized by the Institute;
- d) Peer Reviewers empanelled till date may continue to undertake peer review assignments accepted by them upto 31st March, 2026 without completing the online certificate programme, but shall complete the said online certification programme successfully to undertake peer review assignments after 31st March, 2026.

10.2 Further to be empanelled as Peer Reviewer, a member shall not have: -

- a) disciplinary action/proceedings pending against him during the past 3 years;
- b) been found guilty of professional or other misconduct by the Committee of Discipline/Disciplinary Committee, at any time, as the case may be;
- c) been convicted by a Competent Court whether within or outside India, of an offence involving moral turpitude and punishable with imprisonment;

10.3 The Committee may examine the quality of the report and shall have powers to remove the Reviewer from the panel of Peer Reviewers, in case the quality of the review/report fails to match the desired standards.

10.4 Sitting members on the Council/Regional Council/Chapter Management Committee, and the members of the Peer Review Committee of the ICSI shall not act as Peer Reviewers till they demit their office.

10A. Validity of Reviewers Empanelment

The validity of the Peer Review Empanelment shall be five years from the date of empanelment, post which the Reviewers shall have to again undergo the Training Programme for Peer Reviewers and qualify the Certification Programme offered by the Institute.

11. Practice Units Subject to Review

- 11.1 Peer Review shall be conducted as per the criteria mentioned in the para 4.1 of the Guidelines or in the situations mentioned in 11.2 and 11.3 given below.
- 11.2 If Client of the Practice Unit requests the Committee for the conduct of Peer Review of the concerned Practice Unit, the Committee shall take due cognizance of such request and in that case the cost of the Peer Review shall be borne by such client.
- 11.3 If Council/Government or any regulatory body requests the Committee for conduct of Peer Review of any Practice Unit, the Committee shall take due cognizance of such request and in that case the cost of Peer Review shall be borne by the concerned Practice Unit.
- 11.4 The Peer Review Committee may alter/change/modify the above method of selection with prior approval of the Council.

12. Obligations of the Practice Unit

- 12.1 Access to records or documents:
 - (1) Any person to whom this clause applies and who is reasonably believed by a Reviewer to have in his/her possession or under his/her control any record or other document, which contains or is likely to contain information relevant to the Peer Review shall:
 - (i) Produce to the Reviewer or allow him/her access to, any record or document specified by the Reviewer or any other record or document which is of a class or description so specified and which is in his/her possession or under his/her control/being in either case a record or other document, which the Reviewer reasonably believes is or may be relevant to the Peer Review, within such time as the Reviewer may reasonably require;
 - (ii) If so required by the Reviewer, allow and provide him such explanation or further particulars in respect of anything produced in compliance with the requirements under sub clause (i) above, as the Reviewer shall specify; and
 - (iii) Provide to the Reviewer all assistance in connection with Peer Review which he/she is expected to provide.

- (2) Where any information or matter relevant to a Practice Unit is recorded otherwise than in a legible form, the Practice Unit shall provide and present to the Reviewer a reproduction of any such information or matter, or of the relevant part of it in a legible form, with a suitable translation in English if the matter is in any other language and such translation is requested for by the Reviewer.
- (3) In case the Practice Unit has more than one office, the Practice Unit shall ensure that the Reviewer is given access to all documents relevant to his review no matter in which office of the Practice Unit, these documents may be available in.
- (4) A Practice Unit shall allow the Reviewer to inspect, examine or take any abstract of or extract from engagement record or copy therefrom which may be required by the Reviewer. However, in order to ensure the confidentiality of the contents of the clients' file with the PU, the Reviewer shall, under no circumstances seek names of the clients or make copies or extracts of any document from the clients' files received by him, or of any client records acquired by him while conducting peer review, as part of his working papers.

12.2 For the purpose of this clause a person means an individual/Sole Proprietor/Partner of a partnership firm/designated partner of a LLP to which the particular review relates or any person employed by or whose services are engaged by such unit.

13. Validity of Peer Review Certificate

The validity of the Peer Review Certificate shall be five years from the date of issue.

Provided that the Committee may suo motu or otherwise at the request of the Practice Unit, initiate the Peer Review process even before the expiry of the validity of the Peer Review Certificate.

Further, in case the PU is reviewed within two years of its formation, the validity of the Peer

Review Certificate shall be for two years.

14. Cost of Peer Review

14.1 The cost of Peer Review, payable to the Reviewer, shall be borne by

the Practice Unit. Each of the branch/office under review would be considered separately for the purpose of payment of cost of Peer Review.

14.2 The cost of Peer Review shall be paid by the Practice Unit within 30 days from the date of receipt of Invoice from the Peer Reviewer.

14.3 The Committee may modify the cost of Peer Review payable to the Reviewer from time to time.

15. Training and Development

15.1 To ensure that the objective of Peer Review is attained in letter and spirit, adequate training facilities (either offline or online or both) shall be provided, from time to time, to the Reviewers and also to other persons who assist the Committee in the manner considered appropriate by the Committee. Reviewer shall be expected to be fully familiar with all procedures, ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute, guidelines and other decisions as may be issued by the Committee from time to time.

16. Review Framework

16.1 Essentially, a Peer Review entails a review of engagement records and related documents to ascertain that the Practice Unit is adhering to ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute. In certain situations, where a Practice Unit is not following ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute, suggestions and recommendations for improvement should be given, which shall possibly be followed by a further review, keeping in view with the primary thrust of Peer Review.

16.2 The methodological approach involved in Peer Review can be defined in terms of three stages viz., planning, execution and reporting, which are summarized below:

16.2.1 Planning

Notification - A Practice Unit will be notified in writing about an impending Peer Review and will be sent a Questionnaire for completion.

Return of completed Questionnaire - The Practice Unit shall have to complete and return the Questionnaire to the Secretariat within 7 (seven) days of receipt. The information will be used for the planning of the review.

Sample of Attestation and Audit Services Engagements:-

- (a) From the complete list of Attestation and Audit Services, an initial sample will be selected by the Reviewer. The Peer Reviewer shall choose not less than 10% of the actual attestation assignments undertaken by the PU under each category or five assignments under each category, whichever is more. In case the sample size is smaller than this, the reasons therefor shall be specifically stated in the Peer Review Report.
- (b) Practice Units will be notified of the selection in writing preferably 2 (two) weeks in advance, requesting the relevant records of the selected Attestation and Audit Services, to be made available for review.
- (c) At the execution stage, the initial sample may be reduced to a smaller actual sample for review. However, if the reviewer considers that the actual sample does not cover a fair cross-section of the Practice Unit's Attestation and Audit Services engagements, he/she may make further selections.

16.2.2 Execution

Initial meeting

An initial meeting may be held between the Reviewer and the Practice Unit concerned to conduct the review. The primary purpose of this meeting is to confirm the accuracy of the responses given in the Questionnaire. The Questionnaire may not fully explain all the relevant procedures and policies adopted/followed by the Practice Unit and this initial meeting can provide additional information. The Reviewer should gather a full understanding of the system, and be able to form a preliminary opinion/evaluation of its adequacy at the conclusion of the meeting.

Confirmation of visit

In consultation with the Practice Unit, date(s) will be set for the on-site review to be carried out. In fixing the date for on-site review, the Reviewer shall ensure that the PU is not inconvenienced by conducting the peer review during busy periods. The on-site review date(s) will be decided by

mutual consent such that the review is concluded within 21 (twenty one) days of the date of intimation of appointment of Reviewer or within such other time as requested by the Reviewer and as may be approved by Peer Review Committee.

Peer Review visits will be conducted at the Practice Unit's head office or any other office/branch for which Peer Review has been initiated. The complete on-site review of a practice unit may take at least a full day depending upon the size of the Practice Unit. This is based on the assumption that the Practice Unit concerned has made all the necessary information and documentation available to the Reviewer for review. However, in any case this on-site review should not extend beyond 3 (three) working days.

Compliance Review-General Controls

- (a) The Reviewer may carry out a compliance review of the General Controls and evaluate the degree of reliance to be placed upon them. The degree of reliance will, ultimately, affect the Attestation and Audit Services engagements to be reviewed. The following 5 (five) key controls will be considered as General Controls:
 - Independence;
 - Professional skills and standards; Outside consultation;
 - Staff supervision and development;
 - Office administration including maintenance of registers and records. Practice Units are expected to address each of the 5 (five) key control areas.
- (b) In each key control area there shall be supplementary questions and matters to be considered. These are intended to ensure that the kind of controls that are expected to be maintained, are installed and operated by the Practice Units.
- (c) All questions in the Questionnaire may not necessarily be relevant to particular types of Practice Units because of the size, location, culture etc. However, Practice Units should still assess their internal control systems to ensure that they address the objectives under the five key control areas.

Selection of Attestation and Audit Services engagements to be reviewed

- (a) The number of Attestation and Audit Services engagements to be reviewed depends upon:

- The number of practicing members involved in Attestation and Audit Services engagements in the Practice Unit;
 - The degree of reliance placed, if any, on general quality controls; and
 - The total number of Attestation and Audit Services engagements undertaken by the Practice Units for the period under review.
- (b) The engagements reviewed should be a balanced sample from a variety of different types of companies. Accordingly, if the Reviewer considers that the actual sample is not representative of the Practice Unit's Attestation and Audit Services client portfolio, he may make further selections from the initial sample or from the complete Attestation and Audit Services list.

Review of records

The Reviewer may adopt a compliance approach or substantive approach or a combination of both in the review of engagement records.

(a) Compliance approach

- The compliance approach is to assess whether proper control procedures have been established by the Practice Unit, to ensure that Attestation and Audit Services are being performed in accordance with ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute.
- Practice units should have procedures and documentation sufficient to cover each of the key areas. PUs should tailor their documentation to suit their particular circumstances with justification for doing so provided to the reviewer.

(b) Substantive approach

A substantive approach will be employed if the Reviewer chooses not to place reliance on the Practice Unit's specific controls on attestation engagements or is of the opinion that the standard of compliance is not satisfactory. This approach requires a review of the working papers of the PU in order to establish whether the attestation and audit work has been carried out as per norms.

16.2.3 Reporting

(i) Preliminary Report of Reviewer

- At the end of an on-site review, in case any deficiency/non-compliance is noticed in the systems and procedures of the Practice Unit in rendering professional services to the client, the reviewer shall, before making his report to the Committee, communicate a preliminary report to the Practice Unit. The Reviewer shall report on the areas where systems and procedures had been found to be deficient or where non-compliance with reference to any other matter was noticed.
- The Practice Unit shall make submissions or representations, in writing to the Reviewer, concerning the preliminary report within 7 (seven) days from the date of receipt of preliminary report from the Reviewer.

(ii) Final Report of Reviewer

- (a) The Reviewer will submit a Final Report to the Committee with a copy to the Practice Unit (the Reviewer's Report), incorporating the findings. The Final Report will be examined/inspected by the Committee in terms of the degree of compliance with the ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute by the reviewed Practice Unit. The model forms of such Final Reports shall be communicated to the Reviewer by the Committee.
- (b) The Committee may, if deems fit, issue Peer Review Certificate to the Practice Unit.

OR
- (c) The Committee, having regard to the Report and any submissions or representations attached to it, may:
 - make recommendations to the Practice Unit concerned regarding the application by it of ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute;

- if it is of the opinion that:
 - (1) In case the review is related to a firm, any one or more or all of the partners in the firm may have failed to observe, maintain or apply, as the case may be, ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute;
 - (2) In case the review is related to a member practicing on his own account, the member may have failed to observe, maintain or apply, as the case may be, ICSI Guidance on Office Administration and Systems in the Office of PCS, ICSI Auditing Standards, Guidance Notes, Manuals, Referencers and advisories issued by the Institute; then, the Committee may;
 - Issue instructions to the Reviewer to carry out, within such period as may be specified in the instructions (which period shall not commence earlier than six months after the date on which the instruction is issued), a further Peer Review as regards the Practice Unit to which the report relates; and
 - Specify in the instruction, the matters as regards to which the review is to be carried out;
- (d) The Committee will make recommendations to the Practice Unit where:
- (i) based on the report of the Reviewer, it appears that the Practice Unit has satisfied all key control objectives, which the Committee has determined and/or prescribed in respect of maintenance of/adherence to Technical Standards but where further improvements could be made to internal quality control systems; and
 - (ii) based on the report of the reviewer, it appears that the Practice Unit has satisfied the major key control objectives but some weaknesses exist in other areas.

The Practice Unit is expected to consider the recommendations for rectifying the weaknesses thus identified and informed by the Committee and take all necessary actions to ensure that all key control areas are addressed.

- (e) A follow up review will be required where the Practice Unit has not satisfied the Committee that all the key control objectives have been maintained and where, in the opinion of the Committee the deficiencies are likely to materially affect the overall quality of engagements of the Practice Unit. In such cases the Committee will also make recommendations, which it expects the practice unit to implement in order to ensure the maintenance of professional standards. The implementation of these recommendations will be examined during the follow up review. The PU shall pay fees to the Reviewer for the follow-up review.

17. Referral of Disputes and Appeal

- 17.1 Where a dispute arises over the powers of Reviewers or the process or conclusions reached after the review or to any other matter related to the review, the Practice Unit, the Reviewer or both may refer the dispute, in writing, to the Committee. Such referral shall have to be made within 2 (two) months of occurrence of the issue in dispute, in such manner as may be prescribed by the Committee in this regard.
- 17.2 Where a dispute is referred, after considering any submissions or representations (which shall be made in writing) made by the relevant Practice Unit and/or the relevant Reviewer, the Committee:
- shall decide the dispute within 6 (six) months of the reference and communicate such decision to each of the parties to the dispute, simultaneously;
 - may issue directions relating to the matter in dispute to such Practice Unit or the Reviewer concerned and require such Unit or Reviewer to comply with them within 30 (thirty) days and send a report to the Committee of the said compliance within 15 (fifteen) days of such compliance;
 - shall convey its decision in these regards to each of the parties within 15 days from the date of the decision.
- 17.3 Where either of the parties are dissatisfied with the decision of the Committee, it may refer the matter to the Council within 2 (two) months in such manner as may be prescribed.

18. Immunity

- 18.1 A Practice Unit, which makes available records or documents to Reviewer(s), shall not incur any liability under the Code of Conduct under the Company Secretaries Act, 1980 and the Regulations framed thereunder, by reason of compliance with these Guidelines on Peer Review.
- 18.2 The Reviewer, by virtue of carrying out the Peer Review shall not incur any liability other than the liability arising out of his/her 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.
- 18.3 The members of the Peer Review Committee shall not incur any liability by virtue of their having discharged the responsibilities as given in these Guidelines and/or as may in future be specified by the Council, other than the liability arising out of their 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.

19. Confidentiality

- 19.1 Strict confidentiality provisions shall apply to all those involved in the Peer Review process, namely, Reviewers, Qualified Assistants, members of the Committee, the Council, or any person who assists any of these parties.
- 19.2 Those persons subject to the secrecy provision:
- (1) shall at all times after their appointment preserve and aid- in preserving secrecy with regard to any matter coming to their knowledge in the performance or in assisting in the performance of any function, directly or indirectly related to the process and conduct of Peer Review.
 - (2) shall not at any time communicate any such matter to any other person; and
 - (3) shall not at any time permit any other person to have any access to any record, document or any other material, if any, which is in their possession or under their control by virtue of their being or having been so appointed or their having performed

or having assisted any other person in the performance of such a function.

19.3 Non-compliance with the secrecy provisions in the above clause shall amount to professional misconduct as defined under Section 22 of the Company Secretaries Act, 1980.

19.4 A statement of confidentiality (appended as ***Annexure***) shall be filled in by the person(s) who are responsible for the conduct of Peer Review i.e., Reviewers/the members of the Committee and others who assist them.

20. Procedural Departures

20.1 Where the persons who are responsible for the conduct of Peer Review (Reviewers, the members of the Committee and others who assist them) have not followed the prescribed procedures, they shall have to justify significant departures and such justification shall have to be mandatorily made known to the Council in the periodic Reports of the Committee to the Council.

21. Budget and Finance

21.1 The Council shall approve the Annual Budget of the Committee.

21.2 The Committee shall have the autonomy to administer its budget after the approval as above. For this purpose, the Secretary to the Committee shall be the authorized officer.

22. Secretariat

22.1 The Council shall cause to be set up an appropriate and independent Secretariat to assist the Committee in the discharge of its functions.

22.2 All persons working in the Secretariat shall be subject to the same norms of confidentiality as the Committee Members and Reviewer(s).

22.3 Appropriate arrangements for training of personnel of the Secretariat shall be made from time to time.

Annexure

Statement of Confidentiality

[In accordance with the Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice, this statement of confidentiality is to be filled in by the persons who are responsible for the conduct of Peer Review i.e., Reviewers, Qualified Assistant(s), members of the Committee and others who assist them, individually. The Reviewer shall be responsible for taking this undertaking from the Qualified Assistant(s) who assist him or are likely to assist him in conducting Peer Reviews, and shall send the same to the Committee. This statement of Confidentiality should be filed by the Reviewer with the Peer Review Committee whenever a new Peer Review assignment is undertaken.]

To

The Chairperson
Peer Review Committee
The Institute of Company Secretaries of India

Sir/Madam,

With reference to your email bearing no. dated regarding Peer Review of CS M/s., I hereby give my consent to undertake the assignment. I shall adhere to the timelines prescribed by the Peer Review Committee and submit the final Peer Review Report.

I hereby declare that my attention has been drawn to the need for confidentiality in the conduct of Peer Review. I therefore undertake and assure that in so far as any or all of the following relate to me or are brought to my knowledge/attention, in any manner whatsoever, I will ensure that on my part

- Working papers shall always be kept securely by me and the same will be provided only to the Peer Review Committee as and when asked for.
- The Practice Unit's Attestation and Audit Services procedures shall not be disclosed to third parties.
- Any information with regard to any matter coming to my knowledge in the performance or in assisting in the performance of any function

during the conduct of Peer Reviews shall not be disclosed to any person.

Access to any record, document or any other material, in any form which is in my possession, or under my control, by virtue of my being or having been so appointed or having performed or having assisted any other person in the performance of such functions, shall not at any time be permitted to any other person.

I understand that any breach of the provisions regarding confidential information contained in the Guidelines on Peer Review will be considered as gross negligence and, subject to investigation, will result in appropriate action.

(For office use only)

Signature:

Taken on record on (date)

Name:

By

Date:

Signature:

Place:

Name:

Designation:

Encl. Statement of Confidentiality of the Qualified Assistant (where applicable)

Other Guidelines with respect to Peer Review

Guidelines	Issued at
Limits for the issue of Secretarial Audit Reports: <ul style="list-style-type: none">• 10 Secretarial Audits per partner/PCS, and• an additional limit of 5 secretarial audits perpartner/PCS in case the unit is peer reviewed. (For Secretarial Audit Reports issued for FY 2016-17 onwards)	235th meeting of the Council held on 11th February, 2016

Number of Annual Secretarial Compliance Reports to be issued by PCS: <ul style="list-style-type: none"> • 5 (five) reports individually/per partner in each financial year • an additional limit of 5 (five) ASCR individually/per partner in case the unit has been PeerReviewed. (w.e.f. 1st April, 2020)	260th meeting of the Council held on 4-5 May, 2019
--	--

Mandatory Peer Review for Certifications and Audit Services

The Council has issued Guidelines for mandatory Peer Review for Certification and Audit services as under:

Services	Applicability	Effective date (w.e.f.)
<ul style="list-style-type: none"> • Secretarial Audit Report/Annual Secretarial Compliance Report under SEBI (LODR) Regulations, 2015 • Certification of Annual Return in terms of • Section 92(2) of the Companies Act, 2013 • Compliance Certificate under Schedule V, Clause E of SEBI (LODR) Regulations, 2015 	Top 100 companies as per market capitalization as on 31st March, 2020	April 1, 2020

Further the Council has decided that the PCS shall mandatorily mention the Peer Review

Certificate number while signing/certifying the above, in the following format:

Date	For XYZ & Associates Company Secretaries Name
Place	FCS
	CP
	PR 123/2018

APPENDIX 3

ICSI (Continuous Professional Education) Guidelines, 2019

(As approved by the Council in its 263rd (Special) Meeting held on 23rd September, 2019 at New Delhi and amended by the Council in its 266th, 275th, 295th and 305th meetings held on 9th January, 2020, 26-27th March, 2021, 24th March, 2023 and 26-28th December, 2023 respectively.)

In exercise of the powers conferred by Clause (1) of Part II of the Second Schedule to the Company Secretaries Act, 1980 (56 of 1980), as amended by the Company Secretaries (Amendment) Act, 2006, the Council of the Institute of Company Secretaries of India hereby issues the following guidelines:-

1. SHORT TITLE AND COMMENCEMENT

These Guidelines shall be called the ICSI (Continuous Professional Education) Guidelines, 2019 or 'ICSI (CPE) Guidelines, 2019' in short. The revised Guidelines shall come into force, w.e.f. 18th January, 2024.

2. OBJECTIVE AND INTRODUCTION

The Company Secretaries Act, 1980 was enacted to make provisions for the regulation and development of the profession of Company Secretaries. The Institute of Company Secretaries of India set-up under the said Act has been conducting examinations and prescribing standards for adherence by its members.

A profession cannot maintain its cutting edge competencies unless its members regularly update their knowledge. Attendance and participation in Professional Development Programs, Certificate Programs, and other similar training and professional development programs organized by the ICSI and its offices and other recognized bodies enable members to -

- (i) Constantly upgrade professional competence and skills.
- (ii) Sensitize them to new and emerging opportunities for professional services.
- (iii) Assure users of professional services that they possess adequate skills commensurate with their professional responsibilities.

- (iv) Improve their level of confidence to meet ever-changing demands on the profession.

The objective of these guidelines is to facilitate the members in keeping them abreast of latest developments, widening their knowledge base and improving their skills to maintain the cutting edge by providing training and expertise in critical areas of professional interest and to assist members achieve constant upgrading of competence by acquiring adequate skills commensurate with their professional responsibilities.

For the removal of doubts, it is clarified that all issues relating to the implementation and interpretation of terms used in these guidelines shall be the responsibility of the Professional Development Committee constituted by the Council. The Committee may discharge its duties in this regard (including issue of clarifications and advisories from time to time) for implementation within the limits of its authority as specified or prescribed by the Council.

3. APPLICABILITY OF THE GUIDELINES

These guidelines shall be mandatory for all the members irrespective of whether they are in practice or otherwise, except those specified in para 6.1.1.

4. KEY DEFINITIONS

4.1 Approved Learning Program shall mean any programme of academic nature (viz., Professional Development Program, Continuing Professional Education Program, Certificate Course / Program, Refresher Course of the ICSI, Crash Courses, Self-Assessment examinations, Seminar or study circle meeting) organised by the HQ, RO, CCGRT, Chapter or Study Circle of the Institute, and programmes organised jointly with regulatory bodies, professional bodies, partner institutions or Chambers of Commerce.

Provided that the Professional Development Committee under exceptional circumstances (such as complete lockdown, social disturbance, communal riots, curfew, government order prohibiting large gatherings etc.) which render it impossible to conduct any programme in the physical mode may on case to case basis allow the ROs, CCGRTs, or Chapters also to conduct any learning programme through electronic/distance mode subject to reasonable restrictions.

Provided further that the Professional Development Committee shall be empowered to add/approve any other activity as approved learning programme on case to case basis.

4.2 Continuing Professional Education (CPE) - The process of members' continuous learning.

4.3 Structured CPE Credits - The CPE Credits awarded to the members for attendance at approved learning programmes.

4.4 Unstructured CPE Credits - The CPE Credits awarded to the members for undertaking any of the learning activities stated in para 8 of these guidelines.

4.5 Year for the purposes of these guidelines shall mean the period of 12 months commencing from 1st day of April and ending on 31st day of March following year. Further, the Council or President, ICSI if authorised by the Council may extend the year upto 15 months for the purpose of relaxation of requirement of CPE Credits in any such year.

5. AWARD OF CPE CREDITS

5.1 It is mandatory for all members of the Institute, except those specified in para 6.1.1 to secure **20 CPE Credits** in a year through structured and unstructured learning program(s). However, no carry forward for excess CPE Credits from one year to another year will be allowed.

5.2 The basis of calculation of CPE Credits will be as under:

No. of hours of Learning Program attended by the member	CPE Credit(s)
Beyond 1 hour and upto 2 hours	1
Beyond 2 hours and upto 4 hours in a single day	2
Beyond 4 hours in a single day	4
Program spanning 1½ days	6
Program spanning 2 days	8
Program spanning 2½ days and above/ National Convention	10

5.3 The member shall be required to mark his / her attendance in the attendance register or through biometric or any other electronic mode both at the time of start of the learning event and at the end thereof.

5.4 No CPE Credits will be awarded for any program whose duration is less than 1 hour.

- 5.5 If the Programme Director / Programme Co-ordinator / Programme Facilitator / Course Coordinator attends the full program, full credit of the CPE Credits allotted for the program will be given.
- 5.6 Where the Chief Guest/ Guest of Honour is a member of the Institute in any programme organized by the HQ/RCs/CCGRTs/ Chapters/ Study Circles, full credit of the CPE Credits allotted for the program will be given.
- 5.7 Members acting as Faculty in any of the program organised by the HQ/RCs/CCGRTs/ Chapters/ Study Circles, shall be entitled to CPE Credits as per the duration of the session or CPE Credits announced for the programme, whichever is less. Further, no CPE Credit shall be given to a member for acting as a faculty in Oral Tuition Classes or any other student training programs.
- 5.8 Award of CPE Credits and other modalities for the PMQ Courses, Certificate Courses and Short Term Online Crash Courses etc. shall be as per the ICSI (Specialised and Advanced Courses and Examination) Guidelines, 2020.
- 5.9 No CPE credit will be given to a participant who attends the programme partially.
- 5.10 Members of the age of 60 years or above will be required to obtain 50% of the CPE Credits required to be obtained by the members, if he is in employment relating to CS profession or holding the certificate of practice. This shall be applicable from the year succeeding the Year in which the member attains the age of 60 years.
- 5.11 CPE Credits for joint programmes shall only be awarded where Institute is acting as an Associate Partner, Knowledge Partner, Academic Partner, Institutional Partner, Support Partner, Logo Partner, Domestic Partner or the like.

6.1 EXEMPTIONS

6.1.1 The requirements of CPE Credit shall not apply to:

- (a) A member who attains the age of 60 years during a particular year and who is neither in employment relating to CS profession nor holding Certificate of practice.
- (b) A member, for the year during which he attains membership of the Institute.

- (c) Member of Parliament;
- (d) Member of Legislative Assembly or Legislative Council;
- (e) Member of Judiciary;
- (f) Members of any of the Central Civil Services;
- (g) Members of any of the State Civil Services;
- (h) Employees of regulatory bodies, government organizations (not being corporate entities), and statutory bodies;
- (i) Members of Armed Forces and Paramilitary Forces;
- (j) A member or class of members to whom the Professional Development Committee of the Council grants full/partial exemption, on case to case basis, either by granting specific /general exemption, on account of facts and circumstances in the following situations:
 - (i) Maternity;
 - (ii) Accident/Medical Emergencies;
 - (iii) Partial/Total Disablement;
 - (iv) Such other case(s), as may be deemed appropriate by Professional Development Committee of the Council.

6.1.2 Member whose professional address is beyond 100 Kms. from the nearest Regional Council/ Chapter(s)/ Study Circle(s) and attends a program at any place, they shall be awarded double the CPE Credits for which the concerned Program is entitled. However, this will not apply to attendance at the National Convention/ National Conference of Practising Company Secretaries/National Conference of Corporate CS or any other National Programme organized by the Institute and programs conducted through virtual mode, webinars.

6.1.3 Where the member in practice who has practice set up beyond 100 Kms. from the nearest Regional Council/Chapter is not able to attend the professional development programmes, they may write to the Institute for approving a topic on which they can prepare research paper to get the exemption from securing CPE Credits or may resort to unstructured learning activities as per para 8 of these Guidelines.

The Research paper include:

- (i) A concept paper on emerging areas of practice for Company Secretaries.
- (ii) A Referencer/ backgrounder on contemporary topics relevant to Company Secretaries.
- (iii) A booklet on any topic relating to the areas of practice for Company Secretaries.
- (iv) A monograph on any contemporary topic relevant to the Company Secretaries.
- (v) An empirical study of practical relevance to the Company Secretaries.

Member whose research paper is approved by the Professional Development Committee of the Council, will be exempted from the requirement of securing CPE Credits for the year during which the research paper is approved.

Provided also that the member falling in any of the above exempted categories shall submit a declaration along with documentary evidence at the time of renewal of membership on annual basis or anytime at the time of claiming exemptions.

6.2.1 Multiple Qualifications - A member holding membership of more than one sister professional institution i.e. ICAI and ICoAI including ICSI IIP, ICSI RVO, ICSI Institute of Social Auditors, ICSI International ADR Centre or other such bodies of ICSI wherein he / she is also required to meet CPE Credit requirements in order to continue the membership, such member shall be granted corresponding number of CPE Credits according to ICSI (CPE) Guidelines, 2019 against the learning activities undertaken under the banner of the other professional body (ies).

Explanation:

- 1. Member is required to submit a self-declaration along with proof while requesting ICSI for updation of CPE Credits.*
- 2. An undertaking to be given by the respective member at the time of renewal of membership stating that they have complied with the requirements of the other professional body.*

6.2.1(a) Members Residing Overseas

- (a) in case of members residing overseas, the programmes of the professional interest organized by Regulatory bodies/ Institutes/

Chambers/ Business Associations/ recognized Universities/any other similar body in the country of residence, shall also be considered as approved learning program.

A member shall provide yearly declaration stating details of the programme viz. duration, attendance, CPE credits awarded (if any) for claiming corresponding number of CPE Credits against the programmes attended during the year under the banner of other body (ies).

- (b) the members residing overseas can avail 100% CPE Credits through e- Mode

7. CPE CREDIT FOR STRUCTURED LEARNING ACTIVITIES

7.1 A member whose reply to prize queries is published in the Chartered Secretary will be entitled to 4 CPE Credits.

7.2 A member whose article is published in the Chartered Secretary or any UGC approved Journal will be entitled to 4 CPE Credits.

7.3 In respect of joint authorship of the article in the Chartered Secretary or any UGC approved Journal, 2 CPE Credits be awarded to each member who has authored the article. However, the joint authorship should be limited to two authors only.

7.4 The article published in the Souvenir of National Convention/ National Conference of Practicing Company Secretaries /National Conference of Corporate CS or any other National Programme organized by the Institute shall be treated at par with the article published in the Chartered Secretary for the purposes of grant of CPE Credits.

7.5 A member who publishes book(s) will be entitled to 4 CPE Credits. CPE Credits shall be awarded to maximum two publications per year with 4 CPE Credits each. However, joint authorship, if any, should be limited to two authors only with award of 2 CPE Credits each.

8. CPE CREDIT FOR UNSTRUCTURED LEARNING ACTIVITIES

The members shall be granted CPE Credits under these Guidelines for undertaking any of the following unstructured learning activities subject to a maximum of 12 CPE Credits in each year:

S. No.	Learning Activity	CPE Credits per activity	Maximum CPE in a year
1.	Web based learning including e-learning, webinar, subject to declaration of CPE Credits by the ICSI	As announced by the ICSI	8
2.	Viewing video recording of the learning programmes organized by the Institute subject to submission of self-declaration by the member along with gist of topic viewed	2	2
3.	Revision of Published Book	6	6
4.	Acting as Guide/Supervisor for a M.Phil./ LL.M./ Ph.D. student registered with a UGC approved University subject to submission of proof in this regards	4	4
5.	Submitting suggestions on Questionnaires/ Consultative Papers/Exposure Draft, etc. sought by the Institute subject to acceptance by the Institute.	2	4
6.	Reviewing of Articles / Guideline Answers/ Study Material and other Publications of the Institute	2	4
7.	Publication of articles of professional interest in national dailies registered with the Registrar of Newspapers for India	2	4
8.	Acting as Faculty in any of the program organised by the various Universities/ Management Institutions	2	4
9.	Reading articles published in the Chartered Secretary Journal or any other UGC approved journal (subject to submission of self-declaration by the member along with gist of article(s) read)	1	2

S. No.	Learning Activity	CPE Credits per activity	Maximum CPE in a year
10.	Acting as a panelist at a programme organized by the press and media	2	4
11.	Participation at meetings of the research groups / task forces / core groups/ Board(s), as may be Constituted by the Council	2	6
12.	Publication of articles in the Newsletters published by Regional Councils	1	4

9. CONSEQUENCE OF NON-COMPLIANCE

A member who fails to obtain the mandatory CPE Credits during the stipulated period may be liable to disciplinary action for non-compliance under the provisions of the Company Secretaries Act, 1980, Company Secretaries Regulations, 1982 and the Code of Conduct, as amended from time to time.

10. REMOVAL OF DIFFICULTIES

If any difficulty arises with respect to the observance / interpretation of these Guidelines, or some unforeseeable circumstances occur which have not expressly been provided for in these Guidelines, then the Secretary, ICSI shall decide the matter in consultation with President, ICSI and pass such orders as may appear necessary or expedient for carrying out the objectives of these Guidelines.

APPENDIX 4

AML & CFT Guidelines for Professionals with Certificates of Practice from ICAI, ICSI and ICMAI

Table of Contents

Acronyms	153
1. Background	154
2. Scope	156
3. Effective Date	156
4. General Obligations of Relevant Persons	156
4.1. Reporting of Reportable Transactions	156
4.2. Policies and Procedures to Combat Money Laundering, Counter Terrorist Financing and Combat Proliferation Financing: (AML/CFT/CPF Program)	156
4.3. Internal policies, procedures, and controls to be implemented by relevant persons	157
4.4. Registration of Reporting Entities, Appointment of Designated Director and Principal Officer	157
4.5. Appointment of Nodal Officer and Permanent Technical Committee by SRBs	159
4.6. Training	159
4.7. Periodic Review	160
4.8. Know Your Customer (KYC) Norms	160
4.9. Client due Diligence (CDD) Norms	160
4.10. Enhanced Due Diligence (EDD) Norms	161
4.11. EDD with respect to high-risk jurisdictions/ persons/ entities	161
4.12. Sanctions screening for notified activities	162

4.13. Counterparty Screening	162
5. Reporting Obligations of relevant persons as notified under ‘ <i>the</i> notification’	162
5.1. Reporting to Financial Intelligence Unit-India	163
5.1.1. Mechanism for reporting to FIU-India:	163
5.1.2. Format for reporting Transactions	163
5.1.3. Suspicious Transactions Report (STR):	163
6. Prohibition on Tipping-off	164
7. Maintenance of Records	164
8. Risk Assessment	164
9. Role of Statutory Body (SRB) in supervision and monitoring	165
9.1. Understanding, Mitigating and Managing ML/TF/PF Risk	165
9.2. Monitoring and Supervision	166
9.3. Guidance for SRBs	166
9.4. Information Exchange	166

Acronyms

Term	Definition
AML	Anti-Money Laundering
CFT	Countering the Financing of Terrorism
CDD	Customer Due Diligence
CPF	Combating Proliferation Financing
CKYCR	Central Know Your Customer Registry
CRS	Common Reporting Standards
DNFBP	Designated Non-Financial Business and Profession
EDD	Enhanced Due Diligence
FATF	Financial Action Task Force
FIU-IND	Financial Intelligence Unit - India

Term	Definition
KYC	Know Your Customer
ML/TF/PF	Money Laundering, Terrorism Financing and Proliferation Financing
NRA	National Risk Assessment
OVD	Officially Valid Document
PEPs	Politically Exposed Persons
PMLA	Prevention of Money Laundering Act 2002
PMLR	Prevention of Money-laundering (Maintenance of Records) Rules 2005
RBA	Risk-Based Approach
RE	Reporting Entities
STR	Suspicious Transaction Reporting
SRB	Statutory Body - ICAI, ICSI, ICMAI
UAPA	Unlawful Activities (Prevention) Act, 1967
UNSC	United Nations Security Council

Introduction

1. Background

1.1 The present document shall be referred to as the AML & CFT Guidelines (hereinafter called “The Guidelines”) in respect of financial transactions carried out by relevant persons, such as, individuals who obtained certificate of practice under section 6 of the Chartered Accountants Act, 1949, under section 6 of the Company Secretaries Act, 1980 and under section 6 of the Cost and Works Accountants Act, 1959, as notified by the Central Government, vide notification F.No. P-12011/12/2022-ES Cell-DOR, dated May 03, 2023 (hereinafter referred to as ‘*the notification*’). For the purpose of the present guidelines, money laundering has the same meaning as in Section 3 of Prevention of Money-Laundering Act, 2002 (‘PMLA’).

1.2 PMLA lays down record-keeping and reporting obligations for financial institutions and persons carrying on designated business or profession, with the latter defined in sub-clause (vi) of clause (sa) of sub-section (1) of section

2, which states that ‘person carrying on designated business or profession’, includes persons carrying on such other activities as the Central Government may, by notification, so designate from time-to-time. In exercise of said powers, the Central Government, vide notification F.No. P-12011/12/2022-ES Cell-DOR dated May 03, 2023, notified certain financial transactions carried out by relevant persons, such as, individuals who obtained certificate of practice under section 6 of the Chartered Accountants Act, 1949, under section 6 of the Company Secretaries Act, 1980 and under section 6 of the Cost and Works Accountants Act, 1959,.

1.3 The present document aims to provide a summary of legal provisions of antimoney laundering, counter-terrorism financing and proliferation financing legislations in India, viz. the Prevention of Money Laundering Act, 2002 (hereinafter referred to as the “PMLA”), the Unlawful Activities (Prevention) Act, 1967 (hereinafter referred to as the “UAPA”), the Weapons of Mass Destruction and Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 (hereinafter referred to as the “WMDA”) and rules/notifications thereunder and to lay down steps that a relevant person carrying out certain financial transactions, on behalf of their clients, as notified vide Central Government notification F.No. P-12011/12/2022-ES Cell-DOR dated May 03, 2023 (*hereinafter referred to as ‘Relevant Persons’*), shall implement to prevent, detect and report money laundering, terrorist financing or proliferation financing activities.

1.4 Relevant Persons

The Central Government vide notification F.No. P-12011/12/2022-ES Cell-DOR dated May 03, 2023, has notified the financial transactions carried out by a relevant person on behalf of his client, in the course of his or her profession, in relation to the activities listed below, as an activity for the purposes of sub-clause (vi) of clause (sa) of subsection (1) of section 2 of the Prevention of Money-laundering Act, 2002 (15 of 2003),

- (i) buying and selling of any immovable property;
- (ii) managing of client money, securities or other assets;
- (iii) management of bank, savings or securities accounts;
- (iv) organisation of contributions for the creation, operation or management of companies;
- (v) creation, operation or management of companies, limited liability

partnerships or trusts, and buying and selling of business entities,

Explanation 1:- For the purposes of this notification ‘relevant person’ includes -

- (i) An individual who obtained a certificate of practice under section 6 of the Chartered Accountants Act, 1949 (38 of 1949) and practicing individually or through a firm, in whatever manner it has been constituted;
- (ii) An individual who obtained a certificate of practice under section 6 of the Company Secretaries Act, 1980 (56 of 1980) and practicing individually or through a firm, in whatever manner it has been constituted;
- (iii) An individual who has obtained a certificate of practice under section 6 of the Cost and Works Accountants Act, 1959 (23 of 1959) and practicing individually or through a firm, in whatever manner it has been constituted.

Explanation 2:- For the purposes of this notification ‘firm’ shall have the same meaning assigned to it in sub-clause (i) of clause (23) of section 2 of the Income-tax Act, 1961 (43 of 1961).

2. Scope

The guidelines apply to financial transactions carried out by relevant persons as notified vide *the notification*’.

3. Effective Date

These guidelines shall take effect immediately i.e. from June 19, 2023

4. General Obligations of Relevant Persons.

4.1. Reporting of Reportable Transactions

The mechanism for reporting of reportable transactions in respect of money laundering, terrorist financing and proliferation financing has been designed to facilitate filing of reports by the respective relevant persons carrying out financial transactions, as defined vide the notification’, through the respective Statutory Bodies (viz. ICAI, ICSI, and ICMAI) hereinafter referred to as SRBs.

4.2. Policies and Procedures to Combat Money Laundering, Counter

Terrorist Financing and Combat Proliferation Financing: (AML/CFT/CPF Program)

Rule 7(3) of the PMLR casts an obligation on every reporting entity to evolve an internal mechanism to detect transactions as specified under Rule 3(1) and furnishing information about such transactions to FIU-IND.

In order to discharge said obligation, every relevant person carrying out financial transactions as notified under '*the notification*' must have a robust AML/CFT/CPF policy in place, which shall include the following points.

4.3. Internal policies, procedures, and controls to be implemented by relevant persons

- 4.3.1 To comply with the obligations of relevant persons as specified under PMLA, PMLR, every relevant person/firm shall establish appropriate policies and procedures for the prevention of ML, TF, and PF, and ensure their effectiveness and compliance with all relevant legal and regulatory requirements. The reporting entities shall:
- 4.3.2 Adopt policies (board-approved in case of firms) including procedures for dealing with ML, TF and PF risks, reflecting the current statutory and regulatory requirements and guidance/guidelines issued by competent authorities and SRBs.
- 4.3.3 Periodically review the policies and procedures on the prevention of ML, TF, and PF to ensure their alignment with extant statutory provisions, rules and guidelines and guidance issued by competent authorities and SRBs.
- 4.3.4 Adopt client acceptance and KYC policies and undertake Client Due Diligence (CDD) measures in respect of the financial transactions notified vide '*the notification*';

4.4. Registration of Reporting Entities, Appointment of Designated Director and Principal Officer

- 4.4.1 Registration of Reporting Entities - The SRBs shall identify members holding certificate of practice, who are undertaking activities notified vide '*the notification*'. Consequent to identification of such members, the SRBs shall obtain information (name, designation and contact details such as mobile number and email) related to principal officers and/or designated directors from them, as applicable in accordance with clause 4.4.2 hereunder. The list of principal officers

and/or designated directors shall be maintained by the SRBs and shall be communicated to FIU-INDIA periodically and in the event of changes.

4.4.2 Appointment of Designated Director and Principal Officer - In case where the relevant persons as defined under '*the notification*' are firms, they shall appoint a Designated Director and Principal Officer, while in case of individual practicing professionals, the professional himself would be the Principal Officer in accordance with rule 2(1) (ba) and 2(1)(f) of PMLR.

4.4.3 Roles and Responsibilities of Designated Director and the Principal Officer

4.4.3.1 The Designated Director (where the relevant persons as defined under '*the notification*' are firms) and the Principal Officer shall be responsible for the following obligations to combat money laundering/ countering the financing of terrorism/ combat proliferation financing:

4.4.3.2 Furnishing of the information under Rule 8 (1) of the PMLR, as prescribed under sub rule (1) of Rule 3 of the said rules every month, by 15th day of the succeeding month, in prescribed format to the Director, FIU-IND, as per the mechanism prescribed in clause 5.1.1. However, the information in respect of a suspicious transaction shall be furnished not later than seven working days on being satisfied that the transaction is suspicious as per Rule 8(2) of the PMLR. Such information shall include any attempted transactions, whether or not made in cash;

4.4.3.3 Evolving an internal mechanism with regard to any directions/ guidelines issued by competent authorities and for furnishing information as prescribed under sub rule (1) of Rule 3 of the PMLR;

4.4.3.4 Communication of firm wide policies, where applicable, relating to prevention of ML,TF and PF to all management and relevant staff that handle account information, money and client records, etc. within their organisation;

4.4.3.5 Implementation of other internal policies as drawn up under clause 7 of the present document and, including:

- a. Maintenance of records;
- b. Compliance with relevant statutory and regulatory requirements;
- c. Cooperation with the relevant law enforcement authorities, including the timely disclosure of information;

4.4.3.6 Ensuring the robustness of periodic review of compliance function to ensure compliance with the policies, procedures and controls relating to the prevention of ML, TF and PF, including detection of suspected money laundering transactions.

4.5. Appointment of Nodal Officer and Permanent Technical Committee by SRBs

The SRBs shall undertake appointments as laid down below, with clear terms of reference and the objectives to be achieved via said appointment:

- 4.5.1 A “Nodal Officer” for the purpose of interaction and information sharing between their respective members and FIU-India, which may include notifications issued by competent authorities from time to time.
- 4.5.2 SRBs shall constitute a Permanent Technical Committee whose role is to verify that a relevant person filing prescribed report is holding certificate of practice, before forwarding the report to FIU-India.
- 4.5.3 The contact details of the Nodal Officer and head of the Permanent Technical Committee shall be communicated to FIU-IND within reasonable time in the event of changes.

4.6. Training

Appropriate training to be provided to employees (compliance and others)

- 4.6.1 Relevant persons carrying out financial transactions notified vide ‘**the notification**’, should have adequate screening procedures when hiring employees.
- 4.6.2 Instruction manuals on the procedures for KYC, CDD, sanctions screening, record-keeping and transaction monitoring and review should be included in training material.

4.7. Periodic Review

Periodic review of policies, procedures and controls shall be undertaken to ascertain their alignment with extant statutory and regulatory requirements.

4.8. Know Your Customer (KYC) Norms

All relevant persons carrying out financial transactions on behalf of their clients, as notified under '*the notification*', must have a robust mechanism in place for complying with KYC requirements prior to on boarding of clients as well as for carrying out re-KYC and continued due diligence (CDD) of existing customers in accordance with guidelines issued by SRBs in this regard.

4.9. Client due Diligence (CDD) Norms

- 4.9.1 Relevant persons as notified under '*the notification*', should maintain accurate and up-to-date customer information.
- 4.9.2 Rule 9 of PML (Maintenance of Records) Rules, 2005 provides for 'Client Due Diligence' and in accordance with Rule 9 of these Rules each relevant person as notified under '*the notification*', shall adopt written procedures to implement the anti-money laundering provisions as envisaged under the PMLA, related to the 'Client Due Diligence Process'.
- 4.9.3 Relevant persons as notified in '*the notification*', would be expected to make use of relevant measures:
 - i. Perform robust due diligence on clients/ counterparties;
 - ii. Identify risk-related details about the client through sanctions screening
 - iii. Store customer KYC information for up to five years; and
 - iv. All identification documents secured through the CDD measures should be retained by for a period of at least five years as recommended under Chapter IV clause (3) of PMLA, 2002.
 - v. The extent of the ongoing CDD measures applied should be determined on a risk-sensitive basis.
 - vi. However, it should be kept in mind that as a business relationship develops, the associated ML/TF/PF risks may change.

4.10. Enhanced Due Diligence (EDD) Norms

- 4.10.1 Relevant persons as notified under '*the notification*', should examine, as far as reasonably possible, the background and purpose of all complex, unusually large transactions, and all unusual patterns of transactions carried out on behalf of their clients,, which have no apparent economic or lawful purpose. Where the risks of money laundering, terrorist financing or proliferation financing are higher, they must conduct enhanced due diligence, consistent with the risks identified. In particular, they should increase the degree and nature of monitoring of the business relationship, in order to determine whether those transactions or activities appear unusual or suspicious.
- 4.10.2 Conducting enhanced due diligence should not be limited to merely documenting income proofs. It includes measures and procedures which are more rigorous and robust than normal KYC. These measures should be commensurate with the risk. While not intended to be exhaustive, the following are some of the reasonable measures in carrying out enhanced due diligence:
- a. More frequent review of the customers' profile/transactions
 - b. Application of additional measures like gathering information from publicly available sources or otherwise
 - c. Reasonable measures to know the customer's that the source of funds is commensurate with the assessed risk of customer and product profile which may include:
 - i. Conducting independent enquiries on the details collected on /provided by the customer where required,
 - ii. Consulting a credible database, public or otherwise, etc.,

4.11. EDD with respect to high-risk jurisdictions/ persons/ entities

Due to the potential for increased anonymity or obfuscation of financial flows and the challenges associated with conducting CDD, including customer identification and verification, the indicative list (inter alia) of activities regarded as posing high ML/TF/PF risks that may potentially require the application of monitoring and EDD measures, where appropriate, is as below,

- a. Application of EDD measures to business relationships and transactions with natural and legal persons from higher risk jurisdictions

specifically with countries designated as tax-havens and those on the FATF grey and black lists.

- b. Implementation of EDD procedures when entering into business relationships with Politically Exposed Persons (“PEPs”). For the purposes of these guidelines ‘PEP’ shall have the same meaning assigned to it as per rule 2(1) (db) of PMLR.
- c. In cases where relevant persons as notified under **‘the notification’**, are not able to undertake the required EDD, they must file a suspicious transaction report (STR).

4.12. Sanctions screening for notified activities

- 4.12.1 For the purpose of enhanced monitoring, sanctions screening should be carried out both at the time of on boarding, as well as when any of the notified activities are carried out and at the time of additions to designated lists.
- 4.12.2 Relevant persons as notified under **‘the notification’**, must ensure prompt application of the directives when issued by the competent authorities for implementing United Nations Security Council Resolutions, as well as national sanctions, relating to the suppression and combating of terrorism, terrorist financing and proliferation of weapons of mass destruction and its financing, and other related directives, as well as compliance with all other applicable laws, regulatory requirements and guidelines in relation to economic sanctions. Prompt application of the directives when issued by the competent authorities relating to the individuals designated as ‘terrorist’ under Section 35(1)(a) of the UAPA, 1967 and directives when issued by the competent authorities under WMDA, shall be ensured

4.13. Counterparty Screening

- 4.13.1 Relevant persons as notified under **‘the notification’**, when acting on behalf of their clients shall ascertain any emergent risk stemming from suspicious transaction history or other information such as adverse media, published information about regulatory or criminal penalties in respect of their client’s counterparty/ies.

5. Reporting Obligations of relevant persons as notified under **‘the notification’.**

The PMLA, PMLR cast obligations pertaining to filing of reports on certain

reportable transactions to Financial Intelligence Unit-India (FIU-IND) set up by the Government of India to coordinate and strengthen collection and sharing of financial intelligence through effective national, regional, and global network to combat money laundering and related crimes. FIU-IND is the central nodal agency responsible for receiving, processing, analysing, and disseminating information relating to reportable transactions.

All relevant persons as notified under '*the notification*', are required to, where they have reasonable grounds to suspect that funds are the proceeds of crime or are related to ML, TF and PF, report their suspicions promptly to FIU-IND in the form of suspicious transaction reports, as well as other reportable transactions in pursuance of PMLA and PMLR, as per the mechanism prescribed in clause 5.1.1 hereunder.

5.1. Reporting to Financial Intelligence Unit-India

In order to combat the menace of money-laundering, terror financing and other related serious crimes, Rule 7(3) of the PMLR casts an obligation on every reporting entity to evolve an internal mechanism to detect transactions as specified under Rule 3(1) of the PMLR and furnishing information about such transactions to the Director, Financial Intelligence Unit-India (FIU-IND).

5.1.1. Mechanism for reporting to FIU-India:

Relevant persons are required to file prescribed reports with FIU-India through the respective SRBs. The SRBs shall verify that they hold a certificate of practice before forwarding the reports to FIU-INDIA. In case of a relevant person holding certificates of practice from multiple SRBs, the relevant SRB shall be determined by such relevant person based on the nature of services provided to the client. The mechanism for reporting to FIU would be forwarded as a separate document.

5.1.2. Format for reporting Transactions

The format for reporting transactions, including suspicious transactions made or attempted, as required under Rule 7(2) of PMLR, would be as prescribed by FIU-IND.

5.1.3. Suspicious Transactions Report (STR):

Rule 8(2) read with Rule 3(1)(D) of the PMLR provides for timely reporting of a suspicious transaction, which also includes reporting of attempted suspicious transactions, to the Financial Intelligence

Unit (FIU-IND), if a reporting entity suspects or has reasonable grounds to suspect that funds used by a client are the proceeds of a criminal activity, or are related to terrorist financing or proliferation financing. As detailed in Rule 3(1) of PMLR, suspicious transactions shall be reported not later than seven working days from the date of forming of suspicion on such transaction.

Mechanism for monitoring suspicious transactions should be aligned to the category relevant persons as notified under **‘the notification’**, and the services they provide. Special attention should be paid to all complex, unusually large transactions and all unusual patterns which have no apparent economic or visible lawful purpose. Background of such transactions, including all documents/office records/memorandums pertaining to such transactions, as far as possible, should be examined by the Principal Officer for recording their findings.

6. Prohibition on Tipping-off

Reporting entities and their directors, officers, and employees (permanent and temporary) are prohibited from disclosing (“tipping off”) that an STR or any information is furnished to FIU-IND. This prohibition on tipping off extends not only to the filing of the STR and/ or any information but even before, during and after the submission of an STR or any such information to FIU-IND. Thus, it shall be ensured that there is no tipping off to the client at any level as provided for under Section 12(2) of PMLA.

7. Maintenance of Records

Relevant persons as notified under **‘the notification’**, are required to retain records as defined in Sections 12(1)(a) and 12(1)(e) of PMLA and for a period of five years after the business relationship between a client and the reporting entity has ended or the engagement has been closed, whichever is later, as mentioned in Section 12(3) and 12(4) of PMLA, in order to ensure that such documents are not destroyed.

8. Risk Assessment

Risk assessments must be carried out to understand risk exposure. Further, a risk based approach (RBA) must be adopted to facilitate priority allocation of resources for appropriate control and oversight of AML/CFT/CPF safeguards. Relevant persons as notified under **‘the notification’**, shall carry out risk

assessment to identify, assess and take effective measures to mitigate money laundering and terrorist financing risk, severally and together, for customers, countries or geographic areas, and services, transactions or delivery channels that is consistent with the national risk assessment duly notified by the Central Government.

A key element of their RBAs will entail that they should:

- 8.1 Take appropriate steps to ensure that any identified risks are managed and mitigated through the establishment of appropriate and effective policies, procedures, and controls.
- 8.2 The risk assessment shall be documented and be kept up-to-date. The Relevant persons as notified under '*the notification*', shall consider all the relevant risk factors before determining the level of overall risk and the appropriate level and type of mitigation to be applied to their clients. It shall be made available to competent authorities and SRBs, as and when required.
- 8.3 Risk Assessments should be subject to regular review and updation to ensure an effective system for remedying any identified deficiencies.

9. Role of Statutory Body (SRB) in supervision and monitoring

The ICAI, ICSI and ICMAI are Statutory Bodies (SRBs) in respect of the relevant persons as notified under '*the notification*', and have a role in regulating the relevant persons that are qualified to enter and practise in the said professions. They also perform supervisory, advisory and/ or monitoring functions (e.g. to enforce rules to ensure that high ethical and moral standards are maintained by those practising the profession) to ensure that the objectives laid down in the PMLA and the rules framed thereunder are achieved in letters and spirit.

The following obligations are cast on the SRBs in respect of legal provisions pertaining to AML/CFT/CPF,

9.1. Understanding, Mitigating and Managing ML/TF/PF Risk

SRBs shall take necessary steps for spreading awareness about and encourage the compliance pertaining to legal provisions on AML/CFT/CPF, by their members. SRBs shall ensure that the norms and system are in place to take action against the member who is relevant person as per '*the notification*', but has failed to comply with the expectations related to AML/CFT/CPF compliance.

9.2. Monitoring and Supervision

- 9.2.1 SRBs should take measures to effectively monitor relevant persons through on-site and off-site supervision, in accordance with their guidelines/ notifications/ ethical standards.
- 9.2.2 The frequency and nature of ongoing AML/CFT supervision: SRBs should proactively adjust the frequency of AML/CFT supervision in line with the risks identified and combine periodic reviews and ad hoc AML/CFT supervision.

9.3. Guidance for SRBs

SRBs should communicate their regulatory expectations to the regulated members including,

- 9.3.1 Guidance on filing of Suspicious Transaction Reports with FIU-India should be issued to the relevant persons as notified under '**the notification**'.
- 9.3.2 Guidance on the procedures for KYC, CDD, sanctions screening, record-keeping and transaction monitoring and review should be issued.

9.4. Information Exchange

Information sharing and intelligence sharing arrangements between SRBs and public authorities (such as FIU-India and law enforcement) is important to combat ML/TF/PF and should be robust, secure and subject to compliance with national legal requirements. The type of information that could be shared includes:

- a. ML/TF risk assessments;
- b. Typologies (i.e. case studies) of how money launderers or terrorist financiers have misused relevant persons as notified under '**the notification**';
- c. Feedback on STRs and other relevant reports;
- d. Targeted unclassified intelligence. In specific circumstances, and subject to appropriate safeguards such as confidentiality agreements, it may also be appropriate for authorities to share targeted confidential information with the relevant persons as notified under '**the notification**'.
- e. Countries, persons or organisations whose assets or transactions should be frozen pursuant to targeted financial sanctions.

APPENDIX 5

THE FIRST SCHEDULE

[See sections 21 (3), 21 A(3) and 22]

PART I

Professional Misconduct in relation to Company Secretaries in Practice

A Company Secretary in Practice shall be deemed to be guilty of professional misconduct, if he-

- (1) allows any person to practice in his name as a Company Secretary unless such person is also a Company Secretary in practice and is in partnership with or employed by him;
- (2) pays or allows or agrees to pay or allow, directly or indirectly, any share, commission or brokerage in the fees or profits of his professional business, to any person other than a member of the Institute or a partner or a retired partner or the legal representative of a deceased partner, or a member of any other professional body or with such other persons having such qualifications as may be prescribed for the purpose of rendering such professional services from time to time in or outside India.

Explanation. - In this item, “partner” includes a person residing outside India with whom a Company Secretary in practice has entered into partnership which is not in contravention of item (4) of this Part;

- (3) accepts or agrees to accept any part of the profits of the professional work of a person who is not a member of the Institute:

Provided that nothing herein contained shall be construed as prohibiting a member from entering into profit sharing or other similar arrangements, including receiving any share commission or brokerage in the fees, with a member of such professional body or other person having qualifications, as is referred to in item (2) of this part;

- (4) enters into partnership, in or outside India, with any person other than a Company Secretary in practice or such other person who is a member of any other professional body having such qualifications as may be prescribed, including a resident who but for his residence

abroad would be entitled to be registered as a member under clause (e) of sub-section (1) of section 4 or whose qualifications are recognized by the Central Government or the Council for the purpose of permitting such partnerships;

- (5) secures, either through the services of a person who is not an employee of such company secretary or who is not his partner or by means which are not open to a Company Secretary, any professional business:

Provided that nothing herein contained shall be construed as prohibiting any arrangement permitted in terms of items (2), (3) and (4) of this Part;

- (6) solicits clients or professional work, either directly or indirectly, by circular, advertisement, personal communication or interview or by any other means:

Provided that nothing herein contained shall be construed as preventing or prohibiting—

- (i) any company secretary from applying or requesting for or inviting or securing professional work from another company secretary in practice; or
 - (ii) a member from responding to tenders or enquiries issued by various users of professional services or organizations from time to time and securing professional work as a consequence;
- (7) advertises his professional attainments or services, or uses any designation or expressions other than Company Secretary on professional documents, visiting cards, letterheads or sign boards, unless it be a degree of a University established by law in India or recognized by the Central Government or a title indicating membership of the Institute of Company Secretaries of India or of any other institution that has been recognized by the Central Government or may be recognized by the Council:

Provided that a member in practice may advertise through a write up setting out the services provided by him or his firm and particulars of his firm subject to such guidelines as may be issued by the Council;

- (8) accepts a position as a Company Secretary in practice previously held by another Company Secretary in practice without first communicating with him in writing;

- (9) charges or offers to charge, accepts or offers to accept, in respect of any professional employment, fees which are based on a percentage of profits or which are contingent upon the findings, or result of such employment, except as permitted under any regulation made under this Act;
- (10) engages in any business or occupation other than the profession of Company Secretary unless permitted by the Council so to engage:

Provided that nothing contained herein shall disentitle a Company Secretary from being a director of a company except as provided in the Companies Act, 1956;
- (11) allows a person not being a member of the Institute in practice, or a member not being his partner to sign on his behalf or on behalf of his firm, anything which he is required to certify as a Company Secretary, or any other statements relating thereto.

PART II

Professional misconduct in relation to members of the Institute in service

A member of the Institute (other than a member in practice) shall be deemed to be guilty of professional misconduct, if he, being an employee of any company, firm or person-

- (1) pays or allows or agrees to pay, directly or indirectly, to any person any share in the emoluments of the employment undertaken by him;
- (2) accepts or agrees to accept any part of fees, profits or gains from a lawyer, a Company Secretary or broker engaged by such company, firm or person or agent or customer of such company, firm or person by way of commission or gratification.

PART III

Professional misconduct in relation to members of the Institute generally

A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he -

- (1) not being a Fellow of the Institute, acts as a Fellow of the Institute;
- (2) does not supply the information called for, or does not comply with

the requirements asked for, by the Institute, Council or any of its Committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority;

- (3) while inviting professional work from another Company Secretary or while responding to tenders or enquiries or while advertising through a write up, or anything as provided for in items (6) and (7) of Part I of this Schedule, gives information knowing it to be false.

PART IV

Other misconduct in relation to members of the Institute generally

A member of the Institute, whether in practice or not, shall be deemed to be guilty of other misconduct, if -

- (1) he is held guilty by any civil or criminal court for an offence which is punishable with imprisonment for a term not exceeding six months;
- (2) in the opinion of the Council, he brings disrepute to the profession or the institute as a result of his action whether or not related to his professional work.

THE SECOND SCHEDULE

[See sections 21 (3), 21 (B)(3) and 22]

PART I

Professional misconduct in relation to Company Secretaries in Practice

A Company Secretary in practice shall be deemed to be guilty of professional misconduct, if he—

- (1) discloses information acquired in the course of his professional engagement to any person other than his client so engaging him, without the consent of his client, or otherwise than as required by any law for the time being in force;
- (2) certifies or submits in his name, or in the name of his firm, a report of an examination of the matters relating to company secretarial practice and related statements unless the examination of such statements has been made by him or by a partner or an employee in his firm or by another Company Secretary in practice;

- (3) permits his name or the name of his firm to be used in connection with any report or statement contingent upon future transactions in a manner which may lead to the belief that he vouches for the accuracy of the forecast;
- (4) expresses his opinion on any report or statement given to any business or enterprise in which he, his firm, or a partner in his firm has a substantial interest;
- (5) fails to disclose a material fact known to him in his report or statement but the disclosure of which is necessary in making such report or statement, where he is concerned with such report or statement in a professional capacity;
- (6) fails to report a material mis-statement known to him and with which he is concerned in a professional capacity;
- (7) does not exercise due diligence, or is grossly negligent in the conduct of his professional duties;
- (8) fails to obtain sufficient information which is necessary for expression of an opinion or its exceptions are sufficiently material to negate the expression of an opinion;
- (9) fails to invite attention to any material departure from the generally accepted procedure relating to the secretarial practice;
- (10) fails to keep moneys of his client other than fees or remuneration or money meant to be expended in a separate banking account or to use such moneys for purposes for which they are intended within a reasonable time.

PART II

Professional misconduct in relation to members of the Institute generally

A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he—

- (1) contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines issued by the Council;
- (2) being an employee of any company, firm or person, discloses confidential information acquired in the course of his employment,

except as and when required by any law for the time being in force or except as permitted by the employer;

- (3) includes in any information, statement, return or form to be submitted to the Institute, Council or any of its Committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority any particulars knowing them to be false;
- (4) defalcates or embezzles moneys received in his professional capacity.

PART III

Other misconduct in relation to members of the Institute generally

A member of the Institute, whether in practice or not, shall be deemed to be guilty of other misconduct, if he is held guilty by any civil or criminal court for an offence which is punishable with imprisonment for a term exceeding six months.