Company Secretary
The Governance Professional
Your Gateway to Business in India
About the
Institute of Company Secretaries of India

The Institute of Company Secretaries of India (ICSI) is a premier national professional body constituted under an Act of Parliament i.e., the Company Secretaries Act, 1980 to regulate and develop the profession of Company Secretaries. ICSI functions under the administrative jurisdiction of Ministry of Corporate Affairs, Government of India. ICSI confers qualification of Company Secretary to a candidate qualifying the examination and training requirements of the Institute. Headquartered at New Delhi and Noida, the ICSI has 4 Regional Offices at Chennai, Kolkata, Mumbai, and New Delhi, a Centre for Corporate Governance, Research and Training at Navi Mumbai, a Centre of Excellence at Hyderabad and 73 Chapters located in various cities across India. ICSI is having two overseas centres at Dubai and New York.

ICSI provides top-quality education to the students of Company Secretaries (CS) Course and has set and maintains best quality standards for CS members. The ICSI has on its rolls more than 58,000 qualified CS members both in employment and in practice and around 3,50,000 students pursuing the Company Secretaryship Course.

About the
Company Secretaries

The Company Secretary has been bestowed upon statutory recognition of Key Managerial Personnel (KMP) under the Companies Act, 2013. The core roles and responsibilities of Company Secretary in Employment include reporting and advising the Board about compliance with all laws applicable to a company. The role of Company Secretary is more pronounced and recognized in practicing arena with Secretarial Audit under the Companies Act, 2013 which has been exclusively assigned thereto. Additionally, the Company Secretary has been entrusted with the audit and certification various documents and act as authorized Representatives before various Regulatory Authorities.
Narendra Modi, Prime Minister of India

The motto of ICSI is Satyam Vada, Dharmam Chara. It implies that one should speak the truth and follow rules and regulations. Your advice - right or wrong has an impact on the Corporate Governance of the country.

ICSI plays an important role in institutionalising transparency and honesty in the country. Let us march ahead for building a New India with a renewed vigor, zeal and confidence.

I am honoured to be with the experts who ensure that every Company in the country follows the law of the land, maintains complete transparency. The onus is on you to see to it what should be the corporate culture of the country.

The importance of a transparent and honest administration is now understood in the country. The recommendations made by the ICSI play a positive role in formulating the Corporate Governance Framework.
ROLE OF COMPANY SECRETARY

COMPANY SECRETARY IN EMPLOYMENT

- Advisor to the Board of Directors
- Key Managerial Personnel (KMP)
- Compliance Officer
- Corporate Risk Manager
- Chief Governance Officer
- Corporate Planner & Strategic Manager

COMPANY SECRETARY IN PRACTICE

- Secretarial Auditor
- Expert under Corporate Laws
- Registered Valuer
- Insolvency Professional
- NCLT Practitioner
- Internal Auditor
- GST Professional
- Mediator and Conciliator
- Certification Services
- Representation Services
- IPR, International Trade & WTO Services
COMPANY SECRETARY IN EMPLOYMENT

REGULATORY RECOGNITIONS

<table>
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<tr>
<th>COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014</th>
<th>SEBI LISTING REGULATIONS, 2015</th>
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<tr>
<td><strong>Appointment of Key Managerial Personnel (KMP) [Rule 8]:</strong> Every listed company; and every other public company having a paid up share capital of 10 crore rupees or more, is required to appoint a whole-time KMP.</td>
<td><strong>Compliance Officer [Regulation 6(1)]</strong> A listed entity shall appoint a qualified Company Secretary as the Compliance Officer. [Note: This provision shall not be applicable in the case of units issued by mutual funds which are listed on recognized stock exchange(s).]</td>
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<td><strong>Appointment of Whole-time Company Secretary [Rule 8A]:</strong> A Company other than a company covered under Rule 8 which has a paid-up share capital of five crore rupees or more is required to appoint a whole-time Company Secretary.</td>
<td><strong>Senior Management [Regulation 16(1)(d)]</strong> “Senior Management” shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise of all members of management one level below the Chief Executive Officer/Managing Director/Whole-Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.</td>
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Company Secretary as Compliance Officer under SEBI Regulations/ Guidelines

- Under the SEBI Listing Regulations, 2015:
  - the listed entity is required to submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within one month of end of each half of the financial year, certifying that all activities in relation to both physical and electronic share transfer facility are maintained either in house or by Registrar to an issue and share transfer agent registered with SEBI.
  - the quarterly compliance report on corporate governance submitted by listed entity to the stock exchange shall be signed either by the compliance officer or the chief executive officer of the listed entity.

- The SEBI guidelines for fund raising by issuance of debt securities by Large Corporates (LC) mandate that the disclosures made by the LC to the stock exchanges with respect to issuance of debt securities, shall be certified both by the Company Secretary and the Chief Financial Officer, of the LC.

OTHER ROLES PLAYED BY CS OF A COMPANY

- Ensuring compliance with Corporate Governance requirements including provisions of the Companies Act, the rules made thereunder, Secretarial Standards & other applicable laws.
- Assisting and advising the Board in the conduct of affairs of the company.
- Facilitating convening of meetings, attending Board, Committee & General Meetings and maintaining minutes of these meetings.
- Obtaining approvals from the Board, shareholders and various regulatory authorities as required.
- Representing before various Regulators and other authorities.
- Drafting of Legal Documents.

Company Secretary is also entrusted with advising on matters pertaining to:
- Risk Management
- Corporate Restructuring
- Compliance Management
- Business policy, strategy and planning
- Corporate Social Responsibility and Sustainability Reporting
- Agreements & MoUs
- Intellectual property rights / Taxation matters etc.
Secretarial Audit being one of the core areas, is certainly a complete expression of faith of the legislature and Government in the Company Secretaries to instill corporate discipline and ensure compliance with laws.

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<th>Companies Act, 2013 (Section 204)</th>
<th>SEBI (LODR) Regulations, 2015 (Regulation 24A)</th>
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| Companies required to obtain Secretarial Audit Report from Company Secretary in practice:  
  (a) Every listed company;  
  (b) Every public company having a paid-up share capital of 50 crore rupees or more;  
  (c) Every public company having a turnover of 250 crore rupees or more. | Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit and shall annex with its Annual Report, a Secretarial Audit Report, given by a Company Secretary in Practice, in such form as may be specified with effect from the year ended March 31, 2019. |

Where valuation is required to be made in respect of any stocks, shares, debentures, securities, etc. of a company under the provisions of this Act, it shall be valued by a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed. (Section 247 of the Companies Act, 2013)

A Company Secretary in practice is recognized to be Registered Valuer for the asset class “Securities or Financial Assets” under the Companies (Registered Valuer and Valuation) Rules, 2017.

Company Secretaries having passed necessary examination, possessing prescribed number of years of experience, enrolled with an Insolvency Professional Agency and registered with Insolvency and Bankruptcy Board of India (IBBI) as an Insolvency Professional, can take up matters relating to corporate insolvency resolution process as interim resolution/Resolution Professionals, as well as also take up voluntary liquidation cases. They can also act as authorized representatives for a class of creditors in a meeting of Committee of Creditors in a resolution process.

With their expertise in interpreting laws and skills to tackle and manage regulatory compliances under GST, Company Secretaries render value added services to the trade and industry while acting as extended arms of regulatory mechanism. A person having passed CS final examination is eligible for enrolment as GST Practitioner. Company Secretaries can provide guidance and advisory services to business entities to interpret GST laws and assist in effectively discharging various compliances under GST while undertaking activities like tax planning, maintenance of GST records, drafting legal documents like replying to show cause notices, conducting impact analysis, etc.
CS as an Internal Auditor

COMPANIES ACT, 2013

Such class or classes of companies as may be prescribed shall be required to appoint an internal auditor, to conduct internal audit of the functions and activities of the company.  
[Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014]

SEcurities LAwS

CS in Practice is authorized to undertake internal audit of:

• Portfolio Managers
• Stock Brokers/Clearing Members/Trading Members
• Credit Rating Agencies
• Registrar and Share Transfer Agents (RTAs)
• Internal Audit & Concurrent Audit of Depository Participants
• Yearly Audit of Investment Advisors
• Annual Compliance Audit of Research Analyst
• Reconciliation of Share Capital Audit.

Certification Services

COMPanIES ACT, 2013

• Promotion, formation and incorporation of companies and related matters
• Signing and Certification of Annual Return
• Certification of various e-forms and other documents including annual filings.

SEBI LAwS

SEBI (LODR) Regulations, 2015

• Certification to the effect that all transfers have been completed within the stipulated time
• Half-yearly certificate regarding maintenance of 100% security cover in respect of listed non-convertible debt securities
• Certificate regarding compliance of conditions of corporate governance
• Certificate 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.

SEBI Circulars

• Certification in case of offer/allotment of securities to more than 49 and up to 200 investors.
• Annual Secretarial Compliance (ASC) Report regarding compliance of all applicable SEBI Regulations and Circulars/Guidelines issued thereunder.

IPRs, International Trade & WTO Services

• Advising on matters related to:
  o IPRs under TRIPs Agreement of WTO
  o Anti-dumping, subsidies & countervailing duties
  o Foreign Trade Policy and Procedures (also issuing certificates thereunder)
  o Intellectual Property licensing and drafting of Agreements
  o IPR – Protection, Management, Valuation and Audit
  o Acting as registered Trade Marks Agent.

Representation Services

Company Secretaries have been authorized to represent before:

• Registrar of Companies and Regional Directors
• National Company Law Tribunal and National Company Law Appellate Tribunal
• Competition Commission of India and Competition Appellate Tribunal

CS - An Expert under Corporate Laws

Corporate Laws Advisory Services extend into the following laws and activities:

• Companies Act, 2013
• SEBI Act, Securities Contracts (Regulation) Act and Rules and Regulations made thereunder
• Depositories Act
• Foreign Exchange Management Act
• Environmental and Pollution Control Laws
• Cyber Laws
• Labour and Industrial Laws
• Co-operative Societies Act
• Competition Policy and Laws pertaining to Anti Competitive Practices
OTHER SERVICES

🔥 Appointments on the basis of expert knowledge
- Scrutinizer for e-voting process
- Technical Member of National Company Law Tribunal
- Part of Expert Panels of various Government, Judicial and Quasi-Judicial Bodies

🔥 Issue of shares and other securities
- Advisor/consultant in issue of shares and other securities
- Drafting of prospectus/offer for sale/letter of offer/other documents related to issue of securities and obtaining various approvals
- Listing/delisting of securities with recognized stock exchange
- Private placement of shares and other securities
- Buy-back of shares
- Raising of funds from international markets ADR/GDR/FCCBs/FCEBs/ECB
- Due diligence.

🔥 Banking Services
- Diligence Report and Certification in respect of Consortium/Multiple banking arrangement made by Scheduled Commercial Banks/Urban Co-operative Banks

🔥 Corporate Restructuring
- Loan Syndication and Documentation, registration of charges, status and search reports.

🔥 Corporate Restructuring
- Foreign Collaborations and Joint Ventures
- Setting-up Joint Ventures/Wholly owned subsidiaries abroad
- Ensuring compliance of Takeover Regulations and other applicable laws
- Ensuring compliance with Prohibition of Insider Trading Regulations.

🔥 Finance, Accounting & Taxation Services
- Determination of appropriate capital structure
- Budgetary controls
- Project Reports and Feasibility Studies
- Tax management, tax planning, returns and reports under Income-Tax, GST and other taxation laws

🔥 Arbitration, Mediation and Conciliation Services
- Advising in commercial disputes
- Acting as Arbitrator/Conciliator in domestic and international commercial disputes
- Drafting Arbitration/Conciliation Agreements.
ASSOCIATION WITH INTERNATIONAL ORGANISATIONS

1. Corporate Secretaries International Association Limited (CSIA)

CSIA is an international federation of professional bodies representing fourteen Corporate Secretaries Institutions from Australia, Bangladesh, Brazil, Canada, Hong Kong, India, Kenya, London, Malaysia, Nigeria, Singapore, Southern Africa, USA, Zimbabwe and membership of around 1,00,000 Corporate Secretaries.

Established in Geneva in the year 2010, CSIA is headquartered at Hong Kong since 2017. The Association has played a pioneering role in creating a platform for Governance Professionals to promote best practices in Secretarial, Governance and Compliance Services.

The role and contributions of ICSI at the meetings and deliberations of the CSIA have been considered noteworthy by all the participating organisations. The ICSI through its President, is representing India, at CSIA. Presently, President, ICSI is the Secretary, CSIA.

2. International Valuation Standards Council (IVSC)

IVSC, headquartered at London, UK, is the global, not-for-profit organisation responsible for developing International Valuation Standards (IVS) and the valuation profession with a mission to set and embed consistent, high-quality standards which support business and protect financial markets for the public good. ICSI received membership of the International Valuation Standards Council (IVSC) in October, 2018. The membership marks the entry of ICSI among the leading international organizations on valuation while reiterating our aspiration to improve transparency and stability of financial markets and contribute in the overall growth of the economy.

3. International Corporate Governance Network (ICGN)

ICSI, a member of the ICGN, regularly represents at the ICGN Conferences aimed at bringing together participants for deliberation in corporate governance from across the globe including leading institutional investors from USA, Asia and Europe; regulators, policy makers and leading commentators. While leading forth noteworthy discussions in the arena of corporate governance, the events provide networking opportunity with global personalities and institutional bodies.

4. Organisation for Economic Co-operation and Development

The ICSI has been closely associated in the activities of OECD and also co-hosted the OECD Asian Roundtable on Corporate Governance on “Fighting Abusive Related Party Transactions in Asia – Workshop on Implementation” held on 25-26 October, 2010 at New Delhi (India). The representatives of the ICSI also participate regularly in the OECD Annual Asian Roundtable on Corporate Governance.
1. **Institute of Chartered Secretaries and Administrators (ICSA)**

The ICSI and Institute of Chartered Secretaries and Administrators (ICSA) having regard for each other's high standards of examination and appreciating each other's activities in promoting excellence in professional education entered into an arrangement of mutual benefit by signing an MOU on 13th November, 1998 providing for reciprocal exemptions of subjects as well as training requirements to members of each other's Institutes.

Furthermore, ICSA and ICSI have signed a supplement to the existing MoU for inclusion of subjects as per New Syllabus of ICSI and ICSA and extended the same with nine divisions of ICSA namely Australia, New Zealand, Southern Africa, Zimbabwe, UKRIAT, Canada, Hong Kong/China, Malaysia and Singapore. Henceforth, members of the ICSI can study with the ICSA divisions of their choice, subject to residency requirements in some countries.

2. **UK NARIC**

ICSI while striving for academic and professional excellence of its key stakeholders, i.e., students and members, aims to expand the opportunities for Governance Professionals in not just national territory but beyond as well.

In this regard, the ICSI engaged UK NARIC, UK's National Agency responsible for providing informed advice and guidance on vocational, academic and professional qualifications from over 190 countries worldwide, to conduct an independent benchmarking study, and evaluate the comparability of the Executive and Professional Programmes of the Company Secretaryship Course in the context of the UK and UAE education systems.

After a detailed comparative analysis, the agency came forth with the following comparability recommendations to the UK/UAE education system:

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<tr>
<th>Stage</th>
<th>UK Qualifications</th>
<th>UAE Qualifications</th>
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<tr>
<td>CS Executive Programme</td>
<td>RQF Level 6 [Bachelor degree standard]</td>
<td>QF Emirates Level 7 [Bachelor degree standard]</td>
</tr>
<tr>
<td>CS Professional Programme</td>
<td>RQF Level 7 [Master degree standard]</td>
<td>QF Emirates Level 9 [Master degree standard]</td>
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</table>

3. **Malaysian Association of Company Secretaries (MACS)**

The ICSI is the only Institute in the world which has developed Secretarial Standards to bring about uniformity in the diverse secretarial practices followed across corporate boards. The Government of India under Section 118(10) of the Companies Act, 2013 has mandated the observance of SS-1 & SS-2 by all the companies.

Malaysian Association of Company Secretaries (MACS), with its main objectives of promoting, improving, upgrading and advancing the professional status of Company Secretaries in Malaysia has adopted the Secretarial Standards formulated by ICSI for the purpose of benchmarking its own Standards.
4. **Chartered Institute for Securities and Investment (CISI)**

Chartered Institute for Securities and Investment (CISI) is a professional body for securities, investment, wealth and financial planning. As the principal provider of qualifications, CISI offers individuals the opportunity to achieve core competence and foster strong careers. As a not-for-profit membership body, CISI’s mission is to help individuals attain and maintain high level of competence and to promote the highest levels of professional behaviors and integrity. The recognized study pathways of CISI ensure specialist understanding by a candidate which can immediately be transferred to business activities and client-facing advisory functions, helping a candidate to progress in the career.

ICSI entered into an MOU with CISI which provides that CISI qualification can be offered to ICSI Students and members. Furthermore, CISI will offer a 50% discount on qualifications to all ICSI students and members. Also, ICSI shall make efforts to incentivize ICSI Students and Members to pursue CISI Qualifications.

### INITIATIVES

1. **International Programmes**

   With a vision “To be a global leader in promoting Good Corporate Governance”, the Institute stays dynamic in advancing the knowledge and understanding of its professionals in the emerging trends of governance universally. Regularly supporting the cause of promotion of good governance practices, the ICSI has made its presence felt through its representation in various international programmes/conferences/seminars organized by bodies of national and international eminence. The ICSI has been associate partner for London, Dubai and Singapore Global Conventions organized by the Institute of Directors, India, over the past years and even further ICSI representatives participate in various international events organized by Corporate Secretaries Institutions across the globe.

   The International Professional Development and Fellowship Programme and International Conference (IPDFP) which is an ICSI flagship initiative to explore international opportunities is being organised for the last 14 years.

2. **Global Connect**

   Understanding the need for international cooperation amongst professional bodies for the promotion and propagation of the cause of good governance across the world and even further to provide a forum for highlighting ICSI initiatives in this regard, a section by the title ‘Global Connect’ has been introduced in the monthly journal of ICSI, viz. ‘Chartered Secretary’.

   Apart from this, a dedicated section in the Chartered Secretary under the aegis of ‘Corporate Governance Corner’ also briefs about the changes taking place in the corporate laws globally.

3. **Supporting ‘Ease of Doing Business’ endeavours**

   Persistently supporting the Government of India in its pursuits towards nation building, the ICSI extends its association to persons/companies overseas with the guidance and facilitation on setting-up business in India. The official website of Indian overseas mission at Kenya, Malaysia, St. Petersburg, Russia, Melbourne, Australia, London has placed the link of ICSI’s website along with ICSI logo at their website to apprise the populace in respective countries with the ease and information on setting-up business in India.

   Further, the assistance of ICSI was solicited on a project initiated by the Department of Industrial Policy & Promotion to undertake an analysis of incorporation of companies and post registration requirements in Delhi and Mumbai for World Bank’s report on ease of doing business. The same can be considered as a role player in stepping up the country’s ranking in the Ease of Doing Business Index.
Global Presence of ICSI Members

Australia  Hongkong  N Ireland  Switzerland
Austria  Indonesia  Namibia  Tanzania
Bahrain  Ireland  Nepal  Thailand
Bangladesh  Israel  New Zealand  U A E
Botswana  Kazakhstan  Nigeria  U S A
Canada  Kenya  Oman  Uganda
China  Kuwait  Qatar  United Kingdom
Cote Divoire  Luxembourg  Romania  West Indies
Fiji Islands  Malaysia  Russia  Zambia
France  Mauritius  Saudi Arabia  Zimbabwe
Gabon  Mozambique  Singapore
Ghana  Myanmar  South Africa