

Terms of Reference for Quality Reviewers

Provided below are the standard terms of reference for Quality Reviewers empanelled with the Quality Review Board of ICSI constituted under the Company Secretaries Act, 1980. These terms of reference have been recommended by the Quality Review Board to serve as a guide to Quality Reviewers empanelled or intended to be empanelled with the Quality Review Board of ICSI.

The functions of the Board as envisaged under Section 29B of the Company Secretaries Act, 1980 are as under:

- (a) to make recommendations to the Council with regard to the quality of services provided by the members of the Institute;
- (b) to review the quality of services provided by the members of the Institute including secretarial services; and
- (c) to guide the members of the Institute to improve the quality of services and adherence to the various statutory and other regulatory requirements.

Company Secretaries Procedures of Meetings of Quality Review Board, and Terms and Condition of Service and Allowances of the Chairperson and Members of the Board Rules, 2006 provides that

- (i) the Board may evaluate and review the quality of work and services rendered by the members of the Institute;
- (ii) lay down the procedure or evaluation criteria to evaluate various services being provided by the members of the Institute, and;
- (iii) to select, in such manner and form as it may decide, the individuals and firms rendering such services for review, call for information from the Institute, the Council or its Committees, members, clients of members or other persons or organisations in such form and manner as it may decide, and may also give a hearing to them.

Being empowered by above mentioned provisions of the Act (No. 56 of 1980) and the Rules made thereunder the Quality Review Board has made the Terms of Reference for Quality Reviewers as follows:

Profile of Quality Reviewer

The Quality Review Board shall maintain a panel of Quality Reviewers from amongst the persons having experience in the field of law, economics, business, finance or accountancy.

Quality Review

- (i) The Quality Review Board shall select the Practice Units for being reviewed/evaluated by the Quality Reviewer(s) empanelled with it.
- (ii) The period of review shall be previous financial year or as directed by the Board.

- (iii) The Quality Review shall include the critical aspects of the practices adopted by Practice Units.
- (iv) The Quality Review shall be specific as to processes adopted by the Practice Units.
- (v) Once Quality Reviewers are contracted, they should be asked to elaborate in detail the review methodology they intend to follow.
- (vi) The ICSI shall provide the necessary information of Practice Unit to the Quality Reviewer.
- (vii) Quality Reviewer shall seek information about the detailed work entertained by the Practice Unit by a separate questionnaire.

Access to any record or document

The quality review shall include a desk analysis of existing documents plus collection of new information via phone, email, standard procedures etc.; or an in-depth analysis including desk review, new information collection, and includes a visit to the office of Practice Unit. A mix of methods is recommended to ensure qualitative review and ensure that the evidence be assessed by the reviewer in case mentioned by the Practice Unit and in case necessary for quality review even if not mentioned.

The Quality Reviewer shall consult the Core documents required for the works done or services rendered by the Practice Units. These shall include, at a minimum the related documents i.e. minute books etc., checklists, reports/certificates issued, any relevant past reviews/evaluations, if any.

Any person who is reasonably believed by a Quality Reviewer to have in his possession or under his control any record or other document, which contains or is likely to contain information relevant to the quality review shall produce to the Quality Reviewer or afford him access to, any record or document specified by the Quality Reviewer, and which is in his possession or under his control/ being in either case a record or other document which the Quality Reviewer reasonably believes is or may be relevant to the quality review, within such time as the Quality Reviewer may reasonably require; and also to provide to the Quality Reviewer all assistance in connection with review which he is expected to provide.

From the complete services client list, an initial sample may be selected by the Quality Reviewer. Practice units will be notified of the selection in writing about two weeks in advance, to provide the relevant information pertaining works done or services rendered by them and to be made available for quality review purpose to the Quality Reviewer.

The Quality Reviewer shall also collect the information pertaining to Partner/members of Practice Unit and the staff deployed. The reviewer shall also consult the external partners and stakeholders.

Focus of Quality Review

The Quality Review shall focus mainly on:

- (i) Compliance with Technical, Professional and Ethical Standards.
- (ii) Quality of Reporting of Attestation/Certification services rendered by members.

- (iii) Office systems and procedures with regard to compliance of services including appropriate infrastructure.
- (iv) Training and capacity building Programs for self and staff including apprenticeship training, If any provided

Evaluation Process, Deliverables, and Timelines

The Quality Reviewer shall adhere to the widely adopted principles for ensuring quality reviews. The Quality Reviewer shall make his/her own logistic arrangements for conducting the Quality Review.

The Quality Reviewer shall fix the timelines for preparation, implementation of quality review (including a preliminary visit itinerary, if appropriate), report drafting and revision, and briefing etc. The Quality Reviewer shall preserve the notes prepared during the quality review process (e.g. de-briefing notes, draft and final report, presentation of findings to Quality Review Board) till the process is over. The Quality Reviewer shall follow the process in a fair and transparent manner.

The quality review shall be pro-active. The participation of the both Quality Reviewer and Practice Unit is a key in reviewing and for making recommendations, developing the solutions, and adapting plans.

The Quality Reviewer shall follow the high professional, technical and ethical standards at all levels.

Duration & Reporting

The Quality Reviewer shall submit the preliminary report **within three weeks** from the date of assignment. The Quality Reviewer shall provide quality review findings to the Quality Review Board with a copy of the Practice Unit within a period of three months from the date of assignment of Practice Unit by the Quality Review Board.

Quality Reviewer shall mention in the report, the observations in the preliminary report and the replies received from Practice Unit.

Recommendation of Quality Reviewer

Quality Reviewer shall give a reasoned and speaking report.

Payment Terms

- (a) The Quality Review Board shall pay to the Quality Reviewer a fee of Rs. 25,000/- per quality review subject to submission of satisfactory Quality Review Report. The Quality Reviewer shall bear the cost of local transport, food, communications, printing, cost of submission of report etc. (for Quality Review Assignments within or under the radius of 50 Kms. of the city of residence of Reviewer);
- (b) In case the Quality Review Assignment is beyond 50 Kms. of the city of residence of Reviewer, the Quality Reviewer shall be reimbursed over and above the fee of Rs.25,000/-, cost of *to and fro* travel to the station nearest to the Practice Unit subjected to Quality Review from the place of his residence, accommodation and other expenses in accordance with the travel policy approved by the Board.