Post Membership Qualification Course in Corporate Governance
INTRODUCTION

The Post Membership Qualification (PMQ) Course in Corporate Governance is offered to the members of the ICSI to enable them to master and apply the principles and practices of good corporate governance in real life situations. Corporate Governance has emerged as an important academic discipline in its own right, bringing together contributions from accounting, finance, law and management. Corporate governance now offers a comprehensive, interdisciplinary approach to the management and control of companies. Corporate professionals of today and tomorrow must imbibe in themselves the evolving principles of good corporate governance across the globe on a continual basis. Excellence can be bettered only through continuous study, research and academic and professional interaction of the highest quality in the theory and practice of good corporate governance. Corporate world looks upon especially Company Secretaries to provide the impetus, guidance and direction for achieving world-class corporate governance. The Institute, a reckoned pioneer in corporate governance, offers PMQ Course in Corporate Governance for its members who aim to be professionals par excellence.

OBJECTIVE

The objectives of the Post Membership Qualification Course in Corporate Governance are:

- To enable the members to gain acumen, insight and thorough knowledge relating to the various aspects of corporate governance.
- To provide thorough knowledge of the legal and regulatory framework in India vis-à-vis corporate governance as well as procedural, secretarial and documentation aspects.
- To provide thorough knowledge of the global trends and developments so as to have an integrated view of the entire framework for corporate governance within which the companies operate.
- To equip the candidates with the technical and analytical skills in corporate governance and decision-making.

ELIGIBILITY CRITERIA

The members of the Institute shall be eligible for the admission to the course.

COURSE STRUCTURE

In order to provide in-depth theoretical and practical knowledge to the candidates, PMQ Course in Corporate Governance shall comprise of the following two parts namely:

- Part I: One Paper for which written examination will be conducted
- Part II: Workshop cum interview

Part I: The candidates for Part I shall be examined in one paper for which an open book written examination of three hours will be conducted. The examination will be based on application of knowledge and theoretical concepts wherein the candidates will be allowed to use reference books and other reading material. The paper shall comprise of following course contents:

1) Conceptual Framework of Corporate Governance

- Evolution of Corporate Governance – Ancient and Modern Concept
- Concept of Corporate Governance, Generation of Value from Performance
- Principles of Corporate Governance as postulated by international and domestic institutions / regulatory agencies.
- Beneficiaries of Corporate Governance; Shareholder Activism and changing role of Institutional Investors
- Business Ethics vis-à-vis Corporate Governance
- Corporate Governance in various organizations
- Corporate Social Responsibilities and good corporate citizenship
- Understanding of the shareholder vs stakeholder concept of governance
- Impact of Information Technology and Non-stop Media Coverage giving unbridled access to company information and violating privacy rights
- Initial case studies which led to Corporate Governance as an idea / subject
2) Legal and Regulatory Framework of Corporate Governance

- Need for Legislation of Corporate Governance
- Major Expert Committees’ Reports in Indian context
- Statutory Provisions relating to Investor Protection, servicing and measures under Companies Act and SEBI Law
- Corporate Governance for public sector undertakings
- Corporate Governance guidance for banking companies and insurance sector as prescribed by RBI / IRDA
- Corporate Governance measures under Listing requirements- including Securities and Exchange Board of India’s (SEBI) Electronic Data Information Filing and Retrieval System (EDIFAR)
- Management Information System (MIS) and Corporate Disclosure requirements covering Accounting Standards and Secretarial Standards Statutory standards and procedures – National and international
- Regulator’s perception on Corporate Governance

3) Board Management

- Director's qualifications, financial literacy, experience and expertise, competencies and skills etc.
- Independence of directors
- Types of Directors - Promoter/Nominee/Shareholder/Independent / Executive
- Rights, Duties and Responsibilities of Directors
- Role of Directors and Executives (management)
- Responsibility for Leadership, vision of management
- Training of Directors- need, objective, methodology
- Executive Management Process, Executive Remuneration, Diversification of boards – composition, gender, experience, Director succession planning
- Board procedures and polices

4) Board Committees

- Board Committees – mandatory & non-mandatory committees
- Types of Committee - Audit Committee, Remuneration Committee, Shareholders’ Grievance Committee, CSR Committee, Risk Management Committee, other committees
- Need, Functions and Advantages of Committee Management
- Constitution and Scope of Board Committees
- Board Committees’ Charter
- Terms of Reference, Accountability and Performance Appraisals
- Audit Committee – charter, terms of reference, financial controls & discipline, risk management, auditor’s interface, related party transactions, whistle blower mechanism etc.
- Committee procedures - attendance and participation in committee meetings
- Independence of Members of Board Committees, Role of Committee Chairman
- Disclosures on committee functioning in Annual Report
- Role of Board committees vis-à-vis Board Performance

5) International Corporate Governance

- Corporate Governance issues in international markets, financial sector, MNC’s etc.
- Legislative Framework of Corporate Governance in US, UK and other developed countries including Common Wealth Association for Corporate Governance (CACG) and major Committee reports
- OECD principles of Corporate Governance and Corporate Governance in OECD nations
- Sarbanes Oxley Act – USA, FCPA, anti-corruption, UK Bribery Act etc.
- BRICS countries and governance in emerging markets
6) **Role of Professionals / Corporate Responsibilities**
- Role of Professionals in Board Committees
- Role of professionals in risk management
- Role of Company Secretaries in compliance of Corporate Governance
- Corporate social responsibilities
- Corporate sustainability & reporting

7) **Case Studies**
- Case Studies on Corporate business ownership structure, Core competency vis-à-vis diversified business, Working of Transnational Corporations, Public Vs Private Sector – National and International
- Case Studies on Corporate Governance - Indian and overseas perspective
- Best Practices of Corporate Governance
- Value Creation through Corporate Governance, Corporate Governance Ratings
- Case examples of Board / committee charters
- Impact Analysis of governance models, Code of conduct, Sustainability reporting Specific case studies on best and worst Corporate Governance practices in India and abroad including major corporate scandals.

**PART II:** A candidate after qualifying Part I of the course shall participate in a workshop cum interview organised by the Institute.

**EXAMINATION**
For Part-I, a written examination will be conducted at such intervals, in such manner and at such time and place as the Council may decide subject to availability of such minimum number of candidates enrolled for the examination as may be decided from time to time. The dates and places of the examination shall be published in the Institute's Journal “Chartered Secretary”.

**Registration**
- Registration for the course will be valid for a period of five years during which period the candidate will be required to complete both the parts.
- Registration shall be open throughout the year.
- A candidate should however, register at least six calendar months prior to the month in which the examination commences.

**PREPARATION FOR THE COURSE**
PMQ Course in Corporate Governance is a specialized course and the candidates pursuing this course will be required to have thorough knowledge under each topic of the course curriculum. For this purpose, the candidates will be provided an illustrative list of readings.

**Fee Structure**
(i) Rs. 25,000 for the entire course payable as under:
   - Rs. 12,500/- payable at the time of registration for the course
   - Rs. 12,500/- payable at the time of workshop cum interview
(ii) Examination Fee of Rs. 1500
(iii) Change of Examination Centre fee - Rs. 100
(iv) Verification of marks fee - Rs. 250 per paper

**DIPLOMA CERTIFICATE**
A candidate successfully completing the Post Membership Qualification Course in Corporate Governance shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and bracket "DCG (ICSI)" to indicate that he has been awarded "Post Membership Diploma in Corporate Governance" by the Institute of Company Secretaries of India.

*For further details, please visit:* [www.icsi.edu](http://www.icsi.edu) *or contact:*

**Director (Academics)**

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**THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

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