Dear Professional Colleagues,

Beginning of new financial year 2011-12 brings new hopes and opportunities to us. The techno-liberalization policies adopted by MCA will start ripping the benefits in this financial year. Allowing companies to use electronic media for communication with its stakeholders is the vital amongst it. Path breaking amendments to company law and MCA 21 process will require CS professionals to adopt new skills and fine-tune with expected deliverables.

I participated in two days Conference arranged by Ahmedabad Chapter on the theme “Corporatization of Business Enterprises, Issue of Governance and Role of Professionals” on 15th-16th April, 2011 at Anand. The sub themes, background, speakers and venue were carefully selected and the programme was very well organized. I like the approach of speakers and organizers to develop the participants as Business Consultants than legal professionals. It is good sign that CS conferences have started focusing on the needs of the businesses. During and after the Conference I got an opportunity to interact with Shri Nesar Ahmed, Vice President of ICSI. We shared some vital views on need for strengthening the students training facilities at various centres at ICSI.

During my visit to Ahmedabad I interacted with the MSOP participants. I discussed with them the opportunities available to CS in employment and in practice. I am impressed with the quality and approach of the upcoming members towards CS profession.

We at WIRC are continuously striving hard to provide best training facilities to the students. In this direction we established some strict parameters for organization of MSOP, EDP and SIP. We are experimenting on training methodology specifically for SIP wherein we are expected to train our students in the areas of soft skills. We are trying to create new benchmarks for WIRC TRAINING ACTIVITIES for the benefits of thousand students. ICSI has recently permitted all chapters (except D Grade Chapters) to undertake SIP training programme at their respective places for a limited period. This decision will help the students to undergo training in their own city without spending time, energy and efforts in attending the training.

Under WIRC’s unique initiative of arranging “Chain Regional Students Conferences” under the theme “Change for the Better, Yes we Can!”, we are developing one more model of “One day Students’ Conference” for the benefit of Mumbai students at different locations. The same will then be extended to students belonging to small chapters in the region. The details of the same will be announced separately. The first chain Students’ Conference is scheduled to be held at Thane in the month of June. It was rescheduled because of clashing dates for university exams of the students.

WIRC is always attempting to provide professional and quality inputs to the members by arranging various professional development programmes. We arranged one programme on XBRL, a newly introduced concept for MCA 21 reporting and filing. More such programmes will be planned in near future and I appeal all the members to take the benefit of the same. WIRC has recently announced its Programme Membership Scheme (PMS 2011). I suggest all members to enroll for it and enjoy the benefits.

WIRC has participated in a programme organized by Federation of Indian Export Organization on Limited Liability Partnership in Mumbai. The response to the programme was very encouraging and organization has expressed its desire to have more such joint programmes in near future.

WIRC is arranging Two Days Conference at Indore jointly with Indore Chapter on 25th & 26th of June. I invite all to participate and avail the benefits of the deliberations at the Conference. The details of the Conference are published elsewhere in this FOCUS.

Recently I visited Kolhapur Chapter and had a meeting with its Managing Committee members. We discussed about taking few initiatives at Kolhapur and surrounding areas for development of profession, members and students. I encouraged them to arrange study circle meetings on regular basis and happy to note that one such Study Circle meeting was recently arranged by the Chapter. I am looking forward to more and more such initiatives by them in coming months. On behalf of WIRC I extended full co-operation and support not only to Kolhapur but all upcoming chapters in the Region. I believe that professional development will happen by arranging more participating programmes for members and students and chapters are expected to work in that direction.

I am happy to inform you that Aurangabad and Rajkot Chapter of WIRC has recently shifted to new commercial premises with a view to provide better services to its members and students. They are in a process of arranging all infrastructure facilities in the office. I am confident that these chapters will grow to best of their abilities and will make a remarkable mark in WIRC. I have lot of expectations from dedicated teams available at these chapters.

Friends I believe that success is being who you are and feeling proud of yourself for every task and challenge that you face and conquer along the way. In the process we should be ready to be able to at any movement to sacrifice what we are for what we could become.

I conclude by conveying my best wishes to all the students appearing for June edition of ICSI examination.

Take care & enjoy!

With regards,

Makarand Lele
Chairman, WIRC of ICSI

9th May, 2011

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May, 2011

ICS-WIRC
CASE LAW DIGEST
by CS Ajay Kumar, Mumbai

A Bird’s-Eye View: Recent Judgments on Company Law

1. RECTIFICATION OF REGISTER ON TRANSFER OF SHARES

Petitioner-company was engaged in business of producing, manufacturing and selling pharmaceutical products. It was alleged that Respondents had illegally acquired certain shares of Petitioner in violation of SEBI (Prohibition of Insider Trading) Regulations and SEBI (Substantial Acquisition of Shares and Takeover) Regulations and also in violation of sections 108A and 372A. Petitioner initially had approached SEBI for proper investigation and to pass certain directions but without waiting for SEBI’s action, it filed a Petition under section 111A before CLB praying to permit it to rectify its register of members by deleting names of Respondents as holders of shares of Petitioner. Allegations of violation of Takeover code and insider Trading Regulations were still to be decided by SEBI and, similarly, allegations of investment beyond limit under section 372A and acquisition of shares creating thereby a dominant undertaking under section 108A were still to be investigated and crystallised/confirmed as violations by Central Government. Unless such allegations were to be confirmed as violations of law, CLB had no power to issue orders for rectification of register of members. Therefore, instant Petition was to be dismissed. – ZANDU PHARMACEUTICAL WORKS LTD. Vs. SARABJEET SINGH MOKHA. – [2010] 99 SCL 299 (KAR.)

2. APPEAL AGAINST ORDER OF COMPANY LAW BOARD

Jurisdiction of High Court in an appeal under section 10f is confined only to determination of any substantial question of law and therefore, a finding of fact arrived at cannot be reversed by High Court until and unless it is apparent from face of record that finding, even on factual aspects, is erroneous or perverse to such an extent that same cannot be arrived at in given set of circumstances.

- MARBLE CITY HOSPITAL & RESEARCH CENTRE (P) LTD. Vs. SARABJEET SINGH MOKHA. – [2010] 99 SCL 303 (MP)

3. OPPRESSION AND MISMANAGEMENT

Appellant, managing director of first Respondent-company, had filed a company Petition under sections 397 and 398 against Respondent-company. CLB had appointed ‘C’, a chartered accountant, as auditor of company to look into aspects of manner and management of funds of company. Appellant filed an application seeking removal of ‘C’ on ground of professional misconduct - CLB dismissed said application. Since professional misconduct is a matter which neither CLB nor High Court examines and professional misconduct of chartered accountant is a matter for Institute of Chartered Accountants which is disciplinary body, no interference was warranted with impugned order. – SMT. S. KUNJETHAMALA Vs. HVAC SYSTEMS (P) LTD. [2010] 99 SCL 299 (KAR.)

4. PETITIONER-COMPANY FILING APPLICATION FOR RESTORATION OF ITS NAME IN REGISTER OF COMPANIES CONTENDING THAT IT NEITHER RECEIVED SHOW CAUSE NOTICE NOR AFFORDED OPPORTUNITY OF BEING HEARD – DOES APPLICATION DESERVE TO BE ALLOWED – SECTION 560

Where the name of the Petitioner-company was struck of the register of companies by the Registrar of Companies upon its failure to file annual returns and the petitioner-company in an application under sub-section (6) of section 560 sought restoration of its name in the register of companies contending that it did not receive any show cause notice nor was it afforded any opportunity of being heard before the Registrar of Companies took action, the High Court allowed the application observing that the petitioner-company was a running company and had filed the application within the stipulated time and the Registrar of Companies did not have any objection to the revival and directed petitioner-company not only to pay the costs incurred by the Registrar of Companies but also pay an exemplary cost of ₹ 50,000 to have its name restored in the Registrar of Companies. – SANTACLAUS TOYS (P) LTD. Vs. REGISTRAR OF COMPANIES [2010] 96 CLA 166 (DEL.)

5. RESOLUTION PROPOSES REDUCTION OF SHARE CAPITAL BY PAYING OFF NON-PROMOTER EQUITY SHAREHOLDERS A FAIR VALUE DETERMINED BY A REPUTED VALUER AS SHARES STOOD DELISTED CONSEQUENT UPON PUBLIC SHAREHOLDING FALLING BELOW 10 PER CENT – JURISDICTION OF COURT TO WITHHOLD SANCTION – SECTION 100

It is not open to the court to withhold sanction to reduction of capital unless there is some patent unfairness regarding the fair value of the shares or there is lack of an overwhelming majority of non-promoter shareholders who voted in favour the resolution. Thus, where the petitioner-company passes a special resolution for reduction of share capital by paying off non-promoter equity shareholders to provide them an option to exit receiving a fair valuation for their shares, because otherwise delisting of shares, consequent upon public shareholding falling below 10 per cent, had deprived them of trading at the stock exchange, the proposed reduction of shareholding is liable to be allowed, when the valuation made by the valuers is fair and based on cogent reasoning. – ORGANON (INDIA) LTD., IN RE [2010] 98 CLA 480 (BOM.)
The provisions of Section 209(1)(d) of the Companies Act, 1956, relating to maintenance of Cost Accounting Records was introduced for the first time in the year 1965. So far for 44 Industries, having multiple specified products, maintenance of Cost Accounting Records has been prescribed.

Section 233-B of the Companies Act, 1956, relating to Cost Audit was also introduced in the year 1965. The Section empowers the Central Government to direct that an audit of Cost Accounts of the company shall be conducted by a Cost Accountant within the meaning of The Cost & Works Accountants Act, 1959. The Central Government actually started issuing of Cost Audit orders from the year 1968. The Cost Audit orders were issued on case to case basis and for a particular year. Thereafter the Cost Audit was prescribed for every alternate financial year and the Department of Company Affairs issued revised annual Cost Audit order for the financial year ending 31-3-1994 and continuously thereafter to all those companies which were previously subjected to Cost Audit for every alternate financial year. However it may be noted that the Cost Audit orders were issued to a particular company and for a particular product. Thus the focus was “Company” based.

Ministry of Corporate Affairs constituted an Expert Group (EG) under the chairmanship of Shri B. B. Goyal, Advisor (Cost), MCA, in January 2008 to review Cost Audit Report Rules, Cost Accounting Records Rules and Cost Accounting Standards, etc. EG observed the following important issues:

1. As per the existing framework, there is no mechanism in the Central Government to know which company is presently covered under the relevant CARR notified u/s 209(1)(d) of the Companies Act. Hence, the Government has followed total ad hoc approach in ordering Cost Audits.

2. Out of nearly 9 lakh registered companies, approximately 50,000 companies may be covered by 44 Industries notified for the maintenance of Cost Accounting Records. However, Cost Audit Orders have been issued for less than 2,000 companies, thus representing nearly 4% companies.

3. In many industries, no Cost Audit order has been issued so far, e.g. mining & metallurgy, telecommunication, Auto component manufacturers, etc.

4. In many other Industries very few Cost Audit orders exist despite very large number of companies falling within the scope of relevant CARR.

5. This practice (issuing company wise Cost Audit order) has led to a sense of discrimination and hard burn with the few companies covered for Cost Audit and leaving many others out of the purview.

6. Selective coverage within a particular Industry does not give any major advantage even to the Government for carrying out anti dumping studies, tariff related studies, pricing studies, anti competitive studies, subsidy related studies, sectoral study or economic analysis, etc. for the simple reason that fully representative data of the Industry is not available.

The EG concluded that the existing practice of ordering product-wise Cost Audit Orders only on selective companies, does not support to any justification either from the user (The Government) point of view or from the providers (Company) view point. Such a situation should be avoided and rectified.

Ministry of Corporate Affairs Cost Audit Branch has issued two orders which change the approach towards issuance of Cost Audit orders. The focus is now shifted from company to company basis to Industry (all companies within the Industry).

MCA order FNo 52/26/CAB-2010 dated 2-5-2011

All companies falling under the following Industries are brought under the provisions of Mandatory Cost Audit from the financial year commencing on or after 1-4-2011. The Industries covered are:

1) Bulk Drugs 2) Formulations 3) Fertilizers 4) Sugar 5) Industrial Alcohol 6) Electricity 7) Petroleum 8) Telecommunication
The conditions for applicability of Cost Audit are –

1) aggregate Value of **Net worth** as on the last date of the immediately preceding financial year **exceeds 5 crores** of rupees or

2) aggregate value of the **turnover** made by the company from sale or supply of all products or activities during the immediately preceding financial year **exceeds 20 crores** of rupees or

3) the company’s equity or debt securities are **listed** or are in the process of listing on any stock exchange, whether in India or outside India

MCA order F.No 52/26/CAB-2010 dated 3-5-2011

All companies falling under the following Industries are brought under the provisions of Mandatory Cost Audit from the financial year commencing on or after 1-4-2011. The Industries covered are :

1) Cement 2) Tyres & Tubes 3) Steel Plant 4) Steel Tubes and Pipes 5) Paper 6) Insecticides

The conditions for applicability of Cost Audit are –

1) aggregate value of the **turnover** made by the company from sale or supply of all products or activities during the immediately preceding financial year **exceeds 100 crores** of rupees or

2) the company’s equity or debt securities are **listed** or are in the process of listing on any stock exchange, whether in India or outside India

The appointment of Cost Auditor (for the Acc. year 2011-12) should be completed within 3 months from close of the previous financial year, **i.e. before 30th June, 2011**.

MCA Cost Audit Branch has issued general circular No. 15/2011 dated 11-4-2011 prescribing the procedure (revised) for the appointment of Cost Auditor by the companies. The salient features may be mentioned as under:

1 The Audit Committee of the Board (Board of Directors, if Audit Committee is not mandatory) shall be the first point of reference regarding the appointment of Cost Auditor.

2 The Audit Committee shall ensure that the Cost Auditor is free from any disqualification as specified u/s 233B(5) read with section 224 and sub-section 3 or 4 of section 226 of the Companies Act, 1956.

3 The Audit Committee will be responsible that the Cost Auditor does not violate the limits specified for audit u/s 224(1-B) of the Companies Act, 1956.

4 The Audit Committee shall obtain certificate from the Cost auditor certifying his independence and arm’s length relationship with the company.

5 The company to e-file its application for the appointment of Cost Auditor in Form 23C within 90 days from the date of commencement of each financial year.

6 The application shall be deemed to be approved by the Central Government unless contrary is heard within 30 days from the date of filing.

7 After 30 days from the date of e-filing of Form 23C, the company shall issue formal letter of appointment to the Cost Auditor as approved by the Board.

8 Within 30 days of receipt of formal letter of appointment from the company, the cost auditor shall inform the Central Government regarding his appointment by e-filing. (The form is under development)

9 The company shall disclose full particulars of the cost auditor, along with the due date and actual date of filing of the cost audit report by the cost auditor, in its Annual Report.

It is felt that there is a path breaking approach adopted by MCA for the development of Indian economy. This approach will largely benefit various stake holders such as Government, Government Departments Financial Institutions, consumers, Investors and also the Indian Industry itself. The corporate India will get and gain strength from the systematic, scientific data made available to them through the mechanism of Cost Audit which will strengthen them to face the global challenges.
The time has arrived when great responsibility has been placed upon the Professionals by increasing the number of e-forms requiring their Certification and allowing such e-forms to be taken on record without any back office procedure. The intention of the Ministry is to relieve ROC and his staff to devote more time on regulatory functions. In the present scenario, ROC and his Staff devote the entire time on approval services. This involves approval of several thousands of e-forms. During the year 2010-11, the Office of Registrar of Companies, Mumbai has approved nearly 6,50,000 e-forms. The Ministry has taken a view that ROC and staff should not devote time for such approval services which can be conveniently and effectively delegated to the Professionals through the process of Certification and Straight Through Process.

However, the Ministry has expressed its mind through the Circular No. 17/102/2011CL.V dated 08/04/2011, wherein the Ministry has made it very clear that Certification should not be casually undertaken and there will be serious consequences if there is negligence in Certification.

For the benefit of Professionals, the relevant portion of the said Circular is extracted below:-

“Ministry of Corporate Affairs has entrusted practising professionals registered as Members of the professional bodies namely, ICAI, ICSI & ICWAI with the responsibility of ensuring integrity of documents filed by them with MCA in electronic mode. Professionals are now to be responsible for submitting/certifying documents (to be signed digitally by them) and system would accept most of these documents online without approval by Registrar of Companies or other officers of the Ministry.

However, to ensure that the data integrity is maintained at all times, there will be checking of such submissions to guard against fraudulent filing. In addition to the penal actions against the companies and their officers in default for furnishing incorrect or false information in the documents as provided under the Companies Act, 1956, action would also be taken on receipt of any complaint, anonymous or other wise, against such professionals in the following manner:–

(a) Alleged wrong submissions: In such cases, quick enquiry will be conducted by the concerned RD who will be assessing prima facie, cases of wrong doing by the professionals. Concerned professionals will be given time for furnishing explanation before conveying to a cancellation.

(b) This report will be submitted to e-Governance Cell of MCA. The Cell will inform in the concerned Professional Institute to initiate an enquiry and complete the same within a month’s time.

(c) Simultaneously, the concerned professional shall be debarred and shall not be allowed to enter to submit any document on MCA Portal. This debarment will be for a period of 30 days or till the final enquiry report is received from the respective Professional Institute.

(d) MCA will take a final decision after considering the report so received”

The intention of the Circular is not to discourage the Professionals in any way but only to caution those who are very casual in Certification without adequate verification of the documents based upon which the e-form is prepared. In fact, the Circular would be a source of great strength for all those Professionals who are committed to higher standard of professional practice.

(HENRY RICHARD)
REGISTRAR OF COMPANIES
MAHARASHTRA, MUMBAI
Western India Regional Council of the ICSI

Jointly with

Indore Chapter of the ICSI

ORGANISE

TWO DAYS CONFERENCE OF COMPANY SECRETARIES

On the theme

“Paradigm Shift – Bringing New Look to CS Profession”

Days & Dates: Saturday–Sunday, 25th–26th JUNE, 2011 at INDORE

Venue : Hotel LEMON TREE, RNT MARG, INDORE

Topics for discussion (proposed)

• Techno liberalized MCA approach
• Business contracts & negotiations
• Art of Advocacy
• New approach to Labour laws
• Opportunities for CS in MSME Sector
• Financial & Regulatory Reporting - XBLR
• LLP – New Business Vehicle
• Visionary Session

Delegate Fees:

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<th>Non-residential ₹</th>
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<td>1</td>
<td>Students/ Licentiate Members</td>
<td>3500</td>
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<td>4250</td>
<td>3000</td>
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<td>3.</td>
<td>CA/CWA/Corporate Executives/Others</td>
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<td>3250</td>
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<tr>
<td>4.</td>
<td>Accompanying spouse</td>
<td>1500</td>
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Note : Early bird discount of ₹ 500/- on all the above first three categories for registration on or before 10th June, 2011.

Non residential delegate Fees includes Breakfast, Lunch, Dinner, Programme KIT, etc.

Residential Stay Arrangements

Arrangements for the stay have been made at the Venue at Hotel Lemon Tree, RNT Marg, INDORE on Double Occupancy basis only for 50 delegates on first come first serve basis. Residential facility is as per the following details. Check in from 7.00 a.m. onwards on 25th June, 2011 and check out 9.30 a.m. on 26th June, 2011. Cloak room facility would be available on request.

Registration and deposit of fees to be made at

WIRC of ICSI, 13 Jolly Makers Chambers II, 1st Floor, Nariman Point, Mumbai: In Cash/ Local Cheque/Demand Draft in favour of “WIRC of ICSI”, payable at Mumbai,
E-mail: sudipto.pal@icsi.edu / prog.wirc@icsi.edu

OR

Indore Chapter of WIRC of the ICSI, 1-2-3- Ashray Apartment, 2/1, Manorama Ganj, INDORE: In Cash/ Local Cheque/ Demand Draft in favour of “ICSI, Indore Chapter” payable at Indore.
E-mail: indore@icsi.edu
Attention Members

ICSI-WIRC organizes

Full Day programme on “XBRL - Financial & Regulatory Reporting Tool”
Awareness Initiative of ICSI for knowledge, understanding and application of XBRL
on Saturday 28th May, 2011 at M.C. Ghia Hall, Mumbai (Tentative)

PCH-4

The Ministry of Corporate Affairs has introduced Extensible Business Reporting Language (XBRL) for financial reporting through its MCA 21 portal for specified corporate entities. The XBRL is an electronic language for communication of business and financial data that allows the users of financial information to electronically retrieve data with greater assurance of accuracy. The long-term benefits of XBRL for investors and the capital markets would be significant. XBRL would be beneficial for those who collect business data including governments, regulators, economic agencies, stock exchanges, financial information companies, etc.

To understand the concept, applications and procedure of XBRL reporting WIRC has arranged a full day programme. Experts faculties will address the participants.

Fees: ₹ 1,500/- for Members and ₹ 1,800/- for Non Members and ₹ 1,000/- for students.
For PMS members, the programme is free of cost.
For registration, e-mail to sudipto.pal@icsi.edu; prog.wirc@icsi.edu,
Alternatively, you may send a DD with your name, ACS/FCS number, or students’ registration number, and e-mail id or cell number to WIRC office at No. 13 Jolly Maker Chambers No. 2, First Floor, Nariman Point, Mumbai - 400 021

CS Makarand Lele
Chairman, ICSI-WIRC
CS Prakash Pandya
Secretary, ICSI-WIRC
CS Sanjay Gupta
Chairman, PDC, ICSI-WIRC
NEWS FROM WIRC AND CHAPTERS

WIRC NEWS

A Union Budget Meeting 2011-12 was organized by WIRC on 6th March, 2011 at SNDT Auditorium, Churchgate, Mumbai. About 11 members were present for the meeting.

A Study Circle Meeting on Appearing Before Company Law Board for Oppression and Mismanagement (u/ss 397-398) covering Practical Aspects was organized by ICSI-WIRC on 27th March, 2011 at Sardar Vallabhbhai Engineering College, Bhavan's College Campus, Near Navrang Cinema and Vrindavan Restaurant, Andheri (West), Mumbai. CS R. T. Rajguroo, Practising Company Secretary addressed the participants. There were about 36 members participants.

ICSI-WIRC organized Seminar on Update on NBFC, FEMA and Companies Act on 31st March, 2011 at Bajaj Bhavan, Nariman Point. Shri B. Renganathan, Vice-President, Edelweiss Capital Ltd briefed the participants on the topic of updates on NBFC. Shri Dwarko Khilnani, Ex AGM of RBI & Author of Books on FEMA deliberated on issues relating to FEMA updates and Ms. Mona Bhide, Senior Partner of Dave & Girish & Co, explained the Recent amendments on Companies Act, 1956. The seminar was attended by around 80 members.

A Full Day Seminar on Schedule VI and Independent Directors was organized by ICSI-WIRC on 16th April 2011 at Kamalnayan Bajaj Hall, Bajaj Bhavan, Nariman Point, Mumbai. Shri Rajkumar Adukia, CA. Shri Ram Mohan Bhave, Consultant IFRS (tentative), Shri S Jani Deloitte Touche Tohmatsu India (tentative), Shri K Venkatraman, Company Secretary DB Corp Ltd., Shri G Hariharan, Group Legal Council and head corporate governance of AK. The seminar was attended by around 57 members.

A Study Circle Meeting on Discussions on Recent MCA notifications was organized by ICSI-WIRC on 22nd April, 2011 at Ghatkopar. Shri Prakash Pandya, Practising Company Secretary addressed the participants. Around 23 members attended the meeting.

A Study Circle Meeting on Practical Aspect of Appearing Before SEBI / SAT was organized by ICSI-WIRC on 24th April, 2011 at Sardar Vallabhbhai College, Bhavan's College, Andheri (West), Mumbai. Dr. S.K. Jain, Practising Company Secretary addressed the participants of the Study circle meeting. The meeting was attended by about 18 members.

A Full Day Seminar on Update on Corporate Law and MCA issues (including XBRL reporting) was organized by ICSI-WIRC on Saturday, 30th April 2011 from 10 a.m. to 5 p.m. at ICSI-WIRC premises, 13 Jolly Maker Chambers No. 2, First Floor, Nariman Point, Mumbai. Mr. Tanuj Agarwal, Corporate Advisor gave an Introduction to XBRL, Shri Ganesh Prasad, Amarchand Mangaldas discussed the issues relating to updates on Corporate Law, Shri Prakash Pandya, Secretary, ICSI-WIRC briefed on the MCA issues notified. Shri M.A. Kuvadia, Joint Director, MCA deliberated on Compounding of Offences. The seminar was attended by around 63 participants.

Kandivali Study Circle

Study Circle meeting on “Overview A Private Equity Funding” on 3rd April, 2011 at Landmark Restaurant, Malad (West), Mumbai.

Mr. Ranjith Thakur, Co-Founder, BIOS Consultants Pvt. Ltd., addressed in detail the important feature of the Private Equity funding with Power Point Presentation. The session was interactive, as the participants asked different questions and got clarifications on their queries. The entire presentation was very lively and educative. The experience on the subjects was shared extensively. The attendees were also conversant with the subjects and thus it happened to be very interactive and informative. All kinds of exceptions were discussed and the members were enlightened of various issues of the subjects.

59 participants had attended the meeting.

CHAPTER NEWS

AURANGABAD CHAPTER

Visit of Registrar of Companies to Aurangabad Chapter

CS Henry Richard, Registrar of Companies, Maharashtra visited to Aurangabad Chapter on 14th April, 2011. CS A.R. Joshi, Chairman of Chapter welcomed him. He explained the activities and growth plans of Chapter in detail. CS Henry Richard satisfied with the services available at Chapter and given his best wishes to Chapter. CS Laxmikant Jaipurkar, Secretary and CS Ashish Gupta, Treasurer raised various queries on technical issues which were promptly replied by Registrar.

Half Day Seminar on “Recent Development in Company Law, E-filing and Schedule VI Organised Jointly with Aurangabad Branch of ICAI and ICWAI was organized on 14th April, 2011 at Conference Hall of ICAI, Aurangabad.

CS Henry Richard, RoC, Mumbai and CA Durgesh Kabra were the speakers for the seminar. CS Henry Richard elaborated the various initiatives taken by MCA
to facilitate the companies and professionals. He also explained the recent changes in approval services of MCA and focused on the increasing responsibility of professionals in approval of forms. He discussed on the precautions to be taken in approval of form 1A, 1, 17, 32, etc.

CA Durgesh Kabra, discussed the recent changes in Schedule VI and explained the changes in detail. He described the presentation issues and meaning of various terms.

CS A.R. Joshi, Chairman of Chapter in his introductory speech, explained the chapter activities and welcomed the guests.

CWA Pimple, CS Mahesh Singhi, Vice-Chairman of Chapter, CS Laxmikant Jaipurkar, Secretary of Chapter, CA Gurdeep Singh Bagga and CA Meenal Naik were present for the Meeting.

Around 50 professionals and 80 students participated in the programme.

AHMEDABAD CHAPTER

2 Days Residential Seminar on “Corporatization of Business Enterprises, Issues of Governance and Role of Professionals” held on 15th and 16th April, 2011. at Madhubhan Resort & Spa at Vallabh Vidhyanagar, Gujarat.

Dr. Guruprasad Mohapatra, IAS, Commissioner of Commercial Tax, Gujarat State was the Chief Guest and Mr. Manish Kiri, a leading Industrialist and Managing Director of Kiri Industries Ltd. was the Key Note Speaker on the occasion. Mr. Hitesh Buch, Western Council Member, Mr. Rajesh Parekh, Chairman of Ahmedabad Chapter and Mr. Rajesh Tarpara, Chairman of PDC Committee of Ahmedabad Chapter were present on the dais during the inaugural function of the seminar. Around 130 participants were present in the seminar.

Inaugural Session

Mr. Rajesh Parekh, welcomed and introduced the guests of the Seminar and also welcomed all the participants of the seminar. Mr. Hitesh Buch explained the theme and topics covered in two days seminar.

Dr. Guruprasad Mohapatra delivered his Inaugural Address, wherein he emphasized the key role of professionals like Company Secretaries for corporatization of Business Enterprise for the growth of the economy. He also indicates the responsibilities of Company Secretary for implementation of better Corporate Governance in the Business Enterprise by observances and guidance of legal compliance management of corporate.

Mr. Manish Kiri, by his presentation on Small and Medium Enterprises in India mentioned that SMEs have become engine of Economic growth of the country. He also briefed about laws governing SMEs, Sectors in which SMEs are established, policies framed for SMEs, and role of professional in the SMEs sector.

In the First Technical Session

Mr. Mehul Pandya, Manager, Ernst & Young Pvt. Ltd. (People & Organization Advisory) spoke on “Be the Winner in the Crisis of Growth”. He explained the word “Crisis” as anything sudden and out of the comfort zone. He briefed about how to face the crises of growth by getting essential qualities / skills by Company Secretary professional.

In the Second and Third Technical Sessions

Mr. Jayesh Vithlani, Sr. Vice President & Company Secretary, Vivro Financial Services Pvt Ltd spoke on Source of funding like Primary & Secondary Securities markets, Venture Capital, Private Equity, and External Commercial Borrowings, Factoring Service, etc.

Mr. Abhisek Verma, Gujarat Head – Trade, HSBC and Mr. Prashant Maitra – FTG – Regional Manager, HSBC, both explained on alternative sources of finance for SMEs Sector.

In the Fourth Technical Session

CA Dhinal Shah, Partner of Ernst & Young, Tax & Regulatory Services Practices spoke on Direct Tax Code.

In the Fifth Technical Session:

Mr. Sanjay Gupta, ex–IAS and Chairman of “Neesa Group” spoke on “Global Vision – Think out-of box.”

In the Sixth Technical Session

Mr. Kamal Jain, President & CEO of Kalpaturu Power Transmission Limited spoke on Carbon Credit – A New Avenue. He explained various issues related to carbon credit such as INTERNATIONAL ISSUE: “GLOBAL WARMING”/ “CLIMATE CHANGE, Major Causes of Global warming/ Climate Change: KYOTO PROTOCOAL, CDM PROJECTS Criteria for Sustainable Development. He also explained in details Role of Company Secretaries in the Carbon Credit Projects

In the Seventh Technical Session

Ms. Niyati Patel, Manager DSP Blackrock Mutual Fund and Mr. Raj Shah, Chartered Accountant, Soul Inc. spoke on Treasury Management by corporate. Treasury departments also engaged in the financial risk management of corporations, helping to manage corporate debt and maintain cost-effective financing for corporate improvements.

In the Eighth Technical Session

Interaction with Vice President, ICSI, Central Council Member & with Chairman of WIRC

The members had an excellent interaction with senior representation from the council. Mr. Nesar Ahmad, Vice Resident, Mr. Umesh Ved, Central Council Member, Mr. Makarand Lele, Chairman, WIRC.

Mr. Rajesh Parekh, Chairman, Ahmedabad Chapter occupied the dais. Mr. Nesar Ahmad has appraised the
members about the future avenues and opportunities available with the profession in terms of overseas professional services avenue. Together they gave an indepth tour through the corridors of ICSI, Delhi updating the members with latest developments at the Institute and the future course of action on the path of current philosophy of the Institute. The session was very participative and fruitful.

Valedictory Session and Vote of Thanks
Mr. Bipin Acharya, Former Council Member, chaired the valedictory session. As true to his personality, Mr. Acharya commented that he would never like to chair a concluding session and as per his vision, the learning never ends. He congratulated the organizers, the Team Ahmedabad and participants for the commendable programme.

INDORE CHAPTER
REPORT OF 3RD EDP CONDUCTED BETWEEN 9TH APRIL AND 16TH APRIL, 2011
CS Kamlesh Joshi, Chairman, CS Ashish Karodia, Secretary and CS M.K. Apte, Past Chairman of Indore Chapter inaugurated the programme. This Training Orientation Programme was Co-Ordinated by CS Ashish Karodia, Secretary of the Indore Chapter of ICSI. During this 8 days of the programme various faculties from different fields delivered the lectures on the topics prescribed by the Institute. Forty Eight Students participated in the Programme. Course Completion Certificates were issued to the participants at the end of the programme.

NAVI MUMBAI CHAPTER
On April 24th, 2011, a Study Circle meeting was organized by Navi Mumbai Chapter of WIRC and Mr. Pravin Kumar Pande addressed the participants on an interesting topic titled “Overview of SARFASI Act”. Mr Pravin explained the various aspects related to the Act with a power point presentation and dealt in detail with numerous finer issues with lot of case laws.

The programme was very interactive and well attended by many members.

PUNE CHAPTER
6TH STUDENTS INDUCTION PROGRAMME 20-3-2011 to 29-3-2011
Pune Chapter had organized its 6th SIP programme from 20-3-2011 to 29-3-2011 for CS Students who registered for Executive programme level. Total 100 students attended the programme at Pudumjee Hall, Maharatta Chamber of Commerce, Industries and Agriculture (MCCIA), Tilak Road, Pune. Certificates were distributed to the participants on last day of the programme.

TWO DAYS WORKSHOP ON “DUE DILIGENCE FOR BANKS 25.03.2011 and 26-3-2011”
Pune Chapter had organized a 2 days workshop on “Due Diligence for Banks” on March 25 & 26th, 2011 at Hotel President, Pune. In all 49 delegates were present for the seminar. CS Vivek Sadhale, CA. Jayesh Bajheti, CS Milind Kasodekar, Mr. M. V. Phadke, CS. Jayavanti Bhave, Mr. Ashok Jain and Mr. Ravande were the eminent faculties for the workshop. The programme received an overwhelming response from the members and other participants. All the sessions were very informative and well appreciated by the gathering. CS. Pawan Chandak, Vice Chairman, Pune Chapter of WIRC inaugurated the programme and CS. Kuldeep Ruchandani, Managing Committee Member, presented a vote of thanks. The participants were informed that they will receive the Certificate from ICSI directly.

STUDY CIRCLE MEETING ON “Mergers & Acquisitions – An Overview” 26-3-2011
Pune Chapter had organized a Study Circle Meeting on “Mergers & Acquisitions – An Overview” on March 26, 2011 at Pune. In all 88 delegates were present for the Meeting. CS Milind Kasodekar, Partner MRM Associates, Pune, was the eminent speaker for the Seminar. The Programme received an overwhelming response from the members and other participants.

Open Forum Discussion on “MCA Draft Companies Rules, 2011” 26.03.2011
Pune Chapter had organized a Open forum Discussion on “MCA Draft Companies Rules, 2011” on March 26, 2011 at the Chapter Premises. The main purpose of organizing an Open Forum Discussion was to seek inputs/suggestions from all members on Draft Companies (Name Availability) Rules, 2011. In all 40 members were present for the programme. The programme was well received by the members.

4th EXECUTIVE DEVELOPMENT PROGRAMME (EDP) 30-3-2011 to 8-4-2011
Pune Chapter had organized 4th EDP programme from 30th March, 2011 to 8th April, 2011 for CS students who cleared their Executive stage of CS. Total 75 students attended the programme at MCCIA, Pune. Certificates were distributed to the participants on last day of the programme.

STUDY CIRCLE MEETING ON “NEGOTIATIONS” 9-4-2011
Pune Chapter had organized a Study Circle Meeting on “Negotiations” on April 9, 2011 at Pune. In all 10 delegates were present for the meeting. CS Kiran Chitale was the eminent speaker for the meeting. The programme received an overwhelming response from the members and other participants.

STUDY CIRCLE MEETING ON “SHARE PURCHASE AGREEMENT” 16-4-2011
Pune Chapter had organized a Study Circle Meeting on “Share Purchase Agreement” on April 16, 2011 at Pune Chapter. In all 88 delegates were present for the seminar. CS Shridhar Kulkarni and CS Omkar Deosthale were the eminent speakers for the meeting. The programme received an overwhelming response from the members and other participants.
KOLHAPUR CHAPTER
MEETING WITH WIRC CHAIRMAN MR. MAKARAND LELE

Meeting with the WIRC Chairman Mr. Makarand Lele was held at the Kolhapur Chapter office on 23-4-2011. Mr. M. L. Shinde, Chairman of Kolhapur Chapter welcomed the Chairman.

During the visit Mr. Lele enlightened the Chapter office bearers about the various activities being carried out by WIRC of ICSI and the other Chapters. He shared his experiences in handling various administrative and day-to-day affairs of Chapter. He informed the office bearers about the various schemes for Chapter upgradation from ICSI. Some technical issues like e-mail id for Kolhapur Chapter was sorted out immediately by the interaction of Mr. Lele with Ankur Yadav, Director IT at ICSI. He expressed the need to organize various activities for students by the Chapters. He expressed satisfaction over the student registration in and around Kolhapur.

Overall it was a very motivating meeting with Chairman of WIRC of ICSI. The meeting concluded with a vote of thanks given by Mr. Prasad Joshi, Secretary of Kolhapur Chapter.

STUDY CIRCLE MEETING ORGANISED BY KOLHAPUR CHAPTER ON 30-4-2011

On 30-4-2011 Kolhapur Chapter of WIRC of ICSI organized a Study Circle Meeting on the topic “LLP AND RELATED ISSUES”. The meeting was basically organized by way of deliberations. Shri M. L. Shinde and was the speaker. Shri M. L. Shinde explained the topic and various issues related to the same. He explained basically the incorporation of LLP, its status vis-a-vis other forms of organizations like partnership firms and company. Also he explained about the pros and cons of formation of LLP.

Thereafter there was a group deliberation among the members regarding various issues related to LLP like DPIN, reservation of name, drafting of LLP agreement, filing of the same with Registrar and technical difficulties faced by the members.

Afterwards Shri. Dilip Pange, shared his experiences about the practical difficulties faced and solutions for the same.

It was an interactive study circle and the members expressed the need to organize such kind of events on regular basis. The Study Circle meeting was attended by 7 members.

For kind attention of members
Change in address of Aurangabad & Rajkot Chapters

Aurangabad Chapter of WIRC of ICSI
FR-9, 1st Floor, Kuber Avenue-B, Rana Nagar,
Jalna Road, Beside Seven Hills Flyover,
Aurangabad - 431 005
Cell : 02451124 / 09822764399

Rajkot Chapter of WIRC of ICSI
305 - Krishna Con Arch - II,
3rd Floor, Tagore Road, Rajkot - 360 002
E-mail: rajkot@icsi.edu / icsi.rajkot@gmail.com

ACHIEVEMENT

Mrs. Shilpa Shekhar Parkhi, a Fellow member of ICWAI and ACS is awarded Degree of Doctor of Philosophy (Phd.) in the area of Indirect Taxes under faculty of Management from YCMOU in April 2011. Title of her study was “An analytical study for re-design of Central Excise Audit procedure for SSI units with special reference to Nashik Industrial Estate.” She was guided by Dr. Mrs. A.A. Verulakar for the study. She also got subject matter guidance from our fellow members Mr. V. S. Datey and Mr. R. K. Deodhar from time to time. Model Audit plan suggested by her is appreciated by the Additional and Deputy Commissioners of Central Excise department.

Corporate Cut

The game of e-mails and phone calls
Just take care, anyone may make you fall
You start working when everybody goes.
Yes boss yes boss I am always on my toes.
Never say no but try to confuse
Tiny matters try to make news
You’re always busy with no work
Boss please excuse, this time there is lot of work.
On the last day of month, yours sincerely,
I am in so much of need, please hear me
I somehow cope up with the same salary
I am doing hard work, show really
With new excuse, boss please grant holiday
Prepare for the interview, because it’s on that day
Full your desk with work, on the next day
It’s the same work you had before the holiday
Yes boss yes boss, always pat your back
With no boss no boss, your anytime sack
Time is less, work is more
You need to shout otherwise you’re no more
It’s the matter how you drive,
Just do what is afore said, if you need to survive
It will teach you how to tolerate
Welcome to the world of corporate

Sumit Khanna, CS, LLB
Western India Regional Council of the ICSI

is pleased to announce

OPINION WRITING COMPETITION

FOR MEMBERS OF WESTERN REGION

WIRC is pleased to announce its unique “Opinion Writing Competition” for the Members with a view to explore their opinion writing skills.

Members are requested to write their opinion on the case given for opinion and send the entries via email to WIRO at wirc.opinion@gmail.com on or before 30th June, 2011 addressed to Ms. Archana Sawant, Junior Assistant, ICSI-WIRC Office, 13 Jolly Maker Chambers No. 2, First Floor, Nariman Point, Mumbai – 400 021. The opinion should be attached in PDF file.

The rules for the competition are as follows:

1. The competition is open for all the members of ICSI having their professional address in the Western Region.
2. Length of Opinion should not exceed Ten A4 typed pages in double space.
3. Opinion should cover the proper reference of Facts, Sections, Case Laws, Judgments, Final opinion on the case provided for opinion.
4. Entries in hard copies will not be accepted. All entries should reach to WIRO on or before 30th June, 2011. The entries received after the date will not be considered.
5. Member is required to provide his/her full Name, Address, E-mail id and Membership No. in the covering mail, any indication of identity in the opinion should not be mention.
6. Only one entry per member will be accepted.
7. Council members of WIRC and members of the expert panel are not eligible to participate in the competition.
8. Opinions will be screened by a screening committee under the Chairmanship of Dr. K. R. Chandratre, Past President & Chairman of the Expert Advisory Board of ICSI.
9. The decision of the screening committee will be final and binding on all.
10. WIRC will award prizes for first three best opinions and the names of the winners will be published and announced through “FOCUS”.
11. The prize distribution ceremony will be held at Regional Conference.
12. The best opinions will be published suitably in the “FOCUS”
13. PCS Committee of WIRC is organizing this event and hence their decision in all administrative matter will be final and binding.

All members are requested to participate.

CS Makarand Lele
Chairman, ICSI-WIRC

CS Prakash Pandya
Secretary, ICSI-WIRC

CS Ashish Garg
Chairman, PCS, ICSI-WIRC

CASE FOR OPINION

1. ABC Limited is a public company engaged in the business of manufacturing and sale of paints.
2. Dr. Patel is one of the directors of the Company but not a managing director or whole-time director. He is a relative of another director. Dr. Patel holds a Master’s degree in Chemical Engineering from London University and has special expertise in paints. He has also done PhD from Bombay University in a subject relating to paints.
3. ABC Limited proposes to pay Dr. Patel fixed monthly fees under a consultancy contract to be entered into between the Company and Dr. Patel.
4. Currently, Dr. Patel does not draw any remuneration from the company, except sitting fees for attending Board and Committee meetings.
5. The Company seeks your advice as to whether it can pay the proposed remuneration to Dr. Patel, and if so, whether it would attract any of the following sections of the Act: 297, 299, 300, 301, 198, 309, 310, Schedule XIII, 314 (or any other provisions) and what compliances the Company has to make.
REQUiRED
COMPANY SECRETARY

A closely held Public Ltd. Company (Joint Venture of Oil PSUs) is desirous of appointing a qualified full time Company Secretary for its registered office at Sewree East, Mumbai–400 015. The Candidate should be well versed with Companies Act, 1956 and all Company Secretarial functions. A Law degree and/or accounting experience would be an added advantage.

Interested candidates may send their resume within 15 days, stating age, qualifications, experience, salary drawn/expected, etc. by email/fax as under.

E-mail : rkJ275@hotmail.com
Fax No. 24168233
Mob No. : 9869794929

Western India Regional Council
Forthcoming Programme
(May 2011–June 2011)

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<thead>
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<th>No.</th>
<th>Event Description</th>
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<td>1</td>
<td>Study Circle Meeting at Andheri</td>
<td>29-5-2011</td>
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<tr>
<td>2</td>
<td>Full Day Seminar on FEMA</td>
<td>11-6-2011</td>
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<tr>
<td>3</td>
<td>Study Circle Meeting at WIRC premises</td>
<td>17-6-2011</td>
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<tr>
<td>4</td>
<td>Study Circle Meeting at Andheri</td>
<td>26-6-2011</td>
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**Monthly TARIFF for the Advertisement in Focus**

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**Annual Contract**: Out of 12 issues you have to remit only 10 issue charges, i.e. 2 issues will be free.

**Half Yearly Contract**: Out of 6 issues you have to remit only 5 issue charges, i.e. 1 issue will be free.

**Term of Payment**: Payment in favour of ‘WIRC of ICSI’ by way of a Cheque/Demand Draft payable at Mumbai along with your release order/advertisement material.
A Full day Seminar on Update on Corporate Law and MCA issues (including XBRL reporting) organized by ICSI-WIRC on 30th April, 2011 at ICSI-WIRC premises, Mumbai

Study Circle meeting on appearing before Company Law Board & Oppression and Mismanagement (u/s 397-398) on 27th March, 2011 at Bhavan’s College Campus, Andheri, Mumbai

Full day Seminar on Schedule VI & Independent Directors on 16th April, 2011 at Bajaj Bhavan, Nariman Point, Mumbai

Full Day Seminar on Risk Management held on 5th March, 2011 at Mumbai

Inaugural Session. (L to R): Shri Rajesh Parekh, Shri Manish Kiri, Dr. Gunuprasad Mohapatra, Shri Hitesh Buch, Shri Rajesh Tarpura

Meeting With WIRC Chairman Mr. Makarand Lele

From Left - Prasad Joshi, Secretary Kolhapur Chapter Mukund Shinde, Chairman Kolhapur Chapter, Hemant Kothari, Makarand Lele, Chairman WIRC and Prasad Pusalkar, Managing Committee Member

Study Circle Meeting Organised By Kolhapur Chapter On 30-4-2011

Standing From Left In Photo - Mr. Shrenik Nagaonkar, Mr. Mukund L. Shinde, Mr. Dilip Pange, Mr. Prasad Joshi, Mr. Sangram Ghatage, Mrs. Priya Pangaonkar.

Printed and published by Mr. Sudipto Pal, Joint Director for and on behalf of Western India Regional Council of the Institute of Company Secretaries of India, 13, Jolly Maker Chambers No. II, First Floor, Nariman Point, Mumbai-400 021. Tel.: 22021826/22844873/22047560/22047580/22047604. Fax No.: 22850109 Email : wiro@icsi.edu and printed at Finanse Graphics & Prints Pvt. Ltd., 309, Parvati Industrial Premises, Sun Mill Compound, Lower Parel, Mumbai-400 013. Tel. Nos.: 24961685/24961605 Fax No.: 24962297 and published at Mumbai.

Views expressed by contributors are their own and the Institute/WIRC does not accept any responsibility.

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