



**THE INSTITUTE OF  
Company Secretaries of India**  
**IN PURSUIT OF PROFESSIONAL EXCELLENCE**  
Statutory body under an Act of Parliament

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**e-CS Nitor**



Outgoing President CS R. Sridharan pinning the ICSI insignia to CS Atul H. Mehta, the newly elected President of the Council of the Institute on January 19, 2015 at New Delhi.



Outgoing President CS R. Sridharan putting the President's Collar to CS Atul H. Mehta, the newly elected President of the Council of the Institute.



Newly elected President CS Atul H. Mehta giving the ICSI insignia to CS Mamta Binani, the newly elected Vice-President of the Council of the Institute.



Newly elected Vice - President CS Mamta Binani presenting a bouquet to newly elected President CS Atul H. Mehta of the Council of the Institute.



Newly elected President and the Vice-President of the Council of the Institute with Council Members and Senior Officers of The Institute.



Felicitations of Newly Elected President, Vice President and Council Members of the Council of the Institute by ICSI Employees at ICSI Headquarters on January 19, 2015.



President CS Atul H Mehta lighting the lamp at Kanpur Chapter on Full Day Seminar on "Emerging Opportunities for Company Secretaries under Companies Act, 2013" held on January 28, 2015.



President CS Atul H Mehta addressing Press Conference at Kanpur Chapter.



CS R. Sridharan and CS Sutanu Sinha, CE & OS, ICSI with Participants of Management Skills Orientation Programme (MSOP) organized by ICSI Headquarters during January 02-18, 2015 at Symbiosis Centre for



Workshop - PMQ Course in Corporate Governance held on January 15-16, 2015 at ICSI-CCGRT, Navi Mumbai.

# **ELECTED MEMBERS OF 12TH COUNCIL OF ICSI (2015-2019)**

**President**



CS Atul H. Mehta

**Vice-President**



CS Mamta Binani

**Council Members (in Alphabetical order)**



CS Ahalada Rao V.



CS Ashish C. Doshi



CS Ashish Garg



CS Gopalakrishna Hegde



CS Mahavir Lunawat



CS Makarand M. Lele



CS Rajiv Bajaj



CS Ramasubramaniam C.



CS Ranjeet Kumar Pandey



CS S. K. Agrawala



CS Satwinder Singh



CS Shyam Agrawal



CS Vineet K. Chaudhary

## Message from President



***Dear Professional Colleagues,***

I am honored to have assumed the office of the President of this prestigious Institute and with all humility I accept the privilege to serve this esteemed profession. Collectively, we have adopted a powerful vision “To Be a Global Leader in Promoting Good Corporate Governance” motivating all of us to new global benchmarks. Our mission and values serves as the guiding principles with which we move seamlessly to realize our vision.

The strength of our profession is in the hands of each one of us and we have to work together to make it even stronger.

The Companies Act, 2013 lays great emphasis on governance and self-regulation and the company secretary has been accorded exalted position in the Act. We are required to provide professional support to the governance architecture of the companies and meet the challenges and expectations of trade and Industry, the regulators and other stakeholders. e-CS nitor was launched to focus our attention to bring out articles pertaining to Companies Act, Secretarial Audit and other aspects of the new Company Law and other Corporate Laws, so as to enlighten the members about the intricacies of the new Act. It has served its purpose to a huge extent.

With my humble commitment to continue the quality of knowledge dissemination, I wish to encourage more contributions from the CS fraternity and industry practitioners to ensure a seamless dissemination of knowledge through this e- journal. We welcome comments and suggestions that could improve the quality of the journal. I conclude this communication with the inspiring words of Mahatma Gandhi “....., learn as if you were to live forever”.

I look forward to receiving your valuable feedback on e-CS Nitor.

With best regards,

**CS Atul H. Mehta**

*President*

[president@icsi.edu](mailto:president@icsi.edu)

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## TIME FOR BOARD'S "HEALTH CHECK"

**Dr. Joffy George\***

*Company Secretary & Dy. General Manager (NBD)  
TELK, Ernakulam.*

### Introduction

The link between a high performing board and the successful performance of a Company is widely accepted. A well functioning board will almost certainly have a positive influence on day-to-day operations as well as on the performances of individual directors, employees, shareholders and other stakeholders.

A regular evaluation process to obtain feedback on the collective performance of the board as well as the performance of individual directors is necessary for effective board function, ongoing development and improvement.

Prior to commencing a thorough evaluation process a Board may consider some key components of good board performance. Some of the components of a well functioning board are outlined below and can be used as a quick "health check" by your board.

- Board operates to a strategic plan
- Board is the correct size to allow for effective decision making
- There is a diverse mix of skills and experiences
- The election process delivers a pool of diverse Board members required for effective governance
- A rotation policy has been implemented with defined terms of appointment
- Board implements practices that allows for the inclusion of minority groups on the Board
- Board has an effective induction program in place for new Board members
- Board has established a Code of Conduct and agreed to a set of values and positive behaviours to guide board members
- The division of roles and the functions of the Board and staff is understood, respected and observed by all Board members
- Ethical, legal and financial responsibilities are understood
- Conflicts of interest are declared and dealt with appropriately
- Meetings are well organised and make effective use of time
- A regular cycle of evaluation is undertaken to obtain feedback and improve performance
- Appropriate risk management policies and processes are in place

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\* The views expressed are personal views of the author and do not necessarily reflect those of the Institute.

## Benefits of Board Performance Evaluation

There are a number of benefits to board performance that result from taking part in a performance evaluation process, some of which may include:

- Improved leadership
- Greater clarity of roles and responsibilities
- Improved teamwork
- Greater accountability
- Better decision making
- Improved communication
- Efficient board operations

## Board Performance & Evaluation Policy (BPEP)

BPEP should clearly describe the purpose and process of assessing board performance. It is important that companies introduce an evaluation process that suits the needs and interests of the company. The collective performance of the board as well as the performance of individual directors should be assessed during the evaluation. It is also recommended that boards use an independent facilitator to ensure that the process is carried out independently and confidentially.

## Performance Evaluation & Individual Self-assessment

An evaluation which assesses the overall performance of the board is useful to identify areas of strength and highlight particular areas that require improvement from the board. The Individual self-assessment tool allows directors to reflect on their own personal skills, attributes and contribution to the board and identify possible development opportunities. The results are also used to undertake a skills audit.

## Skill Gap Analysis

A Skill Gap Analysis allows the board to have a clearer understanding of:

- The relevant skills, qualifications and experience required to meet board goals
- Current gaps in skills and diversity
- Current strengths so that director's skills can be utilised to their full potential
- Areas for professional development
- Information required to communicate with members and inform future recruitment strategies

To have an accurate understanding of current board skills, and to accurately complete the skill gap analysis, it is recommended that the board first undertakes a skills audit.

## Board Skills Audit (BSA)

A strong team shall have the right mix of skills and experience to perform at its peak. Talent identification and team selection are the most influential factors on performance and ultimately the success or failure of any Board. Boards that are diverse in gender, age and background and have the right mix of skills and abilities function more effectively. Following is the list of suggestive essential attributes for an effective Board which shall be checked in a BSA:

## A. Board's Charter

Board Charter is a one-source document which clearly sets out how the board performs its role. Board Charter is a key governance policy document which defines the respective roles, responsibilities and authorities of the Board and management.

## B. Board Committees

Committees may act as a suitable pathway for board succession and also provides an opportunity for individuals to be involved in leadership and decision making at another level.

Board Committees allow Directors to give closer attention to important issues facing the Company than is possible for the full Board. Board Committees are an effective way to distribute the work between the directors and allow more detailed consideration of specific matters. The number of Board Committees, size and mix, will vary from Company to Company depending on its size, complexity and the challenges it faces. Similar to a Board Charter each committee should also have a clear Terms of Reference outlining the purpose of the committee.

## C. Board Role Description (BRD)

BRD is similar to that of a Job Description. It outlines the key roles, responsibilities and expectations of the board member and should form the basis of all board operations and discussions.

## D. Board Code of Conduct

Board should establish an agreed set of values and beliefs that guide board behaviour and decision making. These values and beliefs should be clearly outlined in a Code of Conduct to ensure that the reputation of Company is managed, protected and enhanced.

A Code of Conduct clearly describes the expectations of board members specifically relating to the behaviour, culture, values and ethical standards that are agreed to by the Board. A Code of Conduct will also assist to manage conflict or dispute.

## E. Board Profiles

Including a Board Profile of each board member in Company's website assists to inform members and potential board candidates of the current board composition including skills and diversity. This improves Board transparency and gives "a face" to board members.

## F. Planning, Election & Appointment of Directors

Planning for the recruitment of new Directors and setting guidelines to manage the process will place companies in a much stronger position for a higher level of performance.

Following are the recommendations for election and appointment of Directors:

- Annual board evaluation and skills audit should be undertaken to identify skill and diversity gaps and assist with the recruitment of board members with appropriate attributes, knowledge, skills and qualifications.
- Information from the board evaluation and skills audit, together with consideration of the company's strategic plan, should be used by the Board or Committee to develop a role description. The role description should clearly outline the responsibilities and expectations of the board position so that potential applicants are fully informed about the skills and

commitment required. A lack of confidence or willingness to apply for board positions is often due to a lack of knowledge about the role and time commitment required.

- Board should have a strategy for its own renewal, with succession planning arrangements in place.
- Board may wish to delegate implementation of strategies to Committees.
- Board should consider setting maximum terms of office to ensure a steady renewal of Directors.
- Before new Directors are appointed, the Board should determine what new attributes and knowledge are needed, and write them down in the form of a role description, or role profile.
- Board should ensure that the procedures for joining and leaving the Board are clearly understood.

## **G. Introduction of new Directors**

A comprehensive introduction to the Company and board operations allows new directors to be properly informed, supported and welcomed to the Board from the time of their appointment. A Board induction process could strongly influence a new director's experience and board involvement. New directors are far more likely to contribute to the Board sooner following a comprehensive board induction. To support the Board Induction process an induction checklist is a useful tool to ensure that all procedures outlined in the induction policy have been carried out. Board Induction process seeks to provide new board members with the necessary information and training to:

- ❖ Better understand the Board and Company's objectives
- ❖ History and current position of the Company
- ❖ Contribute effectively to board discussion and decision making
- ❖ Understand their roles and responsibilities as a Director
- ❖ Get to know fellow Directors
- ❖ Create a more enjoyable and rewarding experience

An introduction letter should be sent by the Company Chairman to the new board member soon after their appointment to the Board. The letter shall formally welcome the new director onto the Board and outlines what the induction process will entail.

## **H. Mentoring & Support**

Board behavior and culture can be significantly enhanced by providing appropriate mentoring and support for board members. If newly appointed directors are assigned a mentor they are more likely to feel welcomed into their position, included into group dynamics, have greater self confidence and feel better informed to contribute to discussion. A comprehensive induction process involving mentoring and support results in a more rewarding experience for directors.

## **I. Leadership & Role of the Chair**

The Chairperson can strongly influence the behaviour of directors and boardroom culture. The Chairperson should lead by example and can really "set the scene" for a boardroom culture that is respectful and inclusive. Board meetings should be managed by the Chair in a manner designed to

encourage diversity of opinion, ensuring that all board members are given an opportunity to contribute to board discussion.

The chairperson is responsible for leadership of the Board, ensuring its effectiveness in all aspects of its governance role. The chairperson is pivotal in creating the conditions for overall board and individual board member effectiveness and ensures constructive relations between board members and staff. Chairperson's role and responsibilities include:

- Representing the board
- Setting the agenda and ensuring board members receive timely and clear information: Agendas should be forward-looking and concentrate on strategy, rather than focusing on management issues.
- Managing Board meetings: Control meetings to ensure that sufficient time is allowed for discussion of agenda items and proper decision-making takes place.
- Liaising with the CEO: Board is usually represented through the Chairperson in managing the working relationship with the CEO.
- Board member development and encouragement: Taking the lead in inducting and developing individual board members, with a view to enhancing the board's overall effectiveness as a team.
- Performance Assessment: Ensuring that peer and self-assessments of performance are undertaken regularly for all members of the board, including the chairperson.

#### **J. Board Behaviour & Culture**

It should not be surprising that when a group of individuals with different backgrounds, skill sets and personalities get together that challenges in board function and dynamics can occur. Boards need to invest time into constantly nurturing a positive board culture to prevent conflict amongst its members and to ensure that they are best serving the interests of their members.

One of the greatest challenges facing boards is the ability to achieve consensus and cohesion while at the same time encouraging diversity and legitimate dissent. To assist Companies to address this issue there shall be focus on the following factors that contribute to the development of an effective board team:

- The skills mix of the board is appropriate to its role and tasks.
- There is agreement that the board will 'speak with one voice' about all policy matters when communicating with the outside world.
- There is a robust and productive participation of all Directors of the Board in which both good and bad news is shared openly and in a timely fashion.
- There is a positive and constructive boardroom culture in which all directors know that their contribution is valued.
- There is a good balance between talking and listening. Board members are willing to suspend judgment until an issue is fully canvassed and all perspectives are aired.

- The chairperson manages the meeting processes so that issues before the board are adequately addressed. Agenda and time management facilitate appropriate attention to board issues.
- Legitimate dissent and diversity are viewed as healthy components in boardroom dialogue and encouraged so that the full range of views, opinions and experience are available to support board decisions.
- The views of management are sought and valued.
- Board members can ask tough questions without management becoming defensive.

## K. Effective Meetings

Meetings can make or break a board. Ill-directed or ill-prepared meetings can sap the energy and motivation of board members, whereas purposeful and well organised meetings can build the Company's sense of direction and motivate the board members and staff involved. The decision to commit your time to a board position is one that requires strong consideration. Lengthy and unproductive board meetings can frustrate board members and act as a deterrent to have the best lot as Board Members.

Board meetings should focus on governance matters affecting the control and direction of the Company, such as policy-making and review, financial health of the Company, strategic thinking and progress towards Key Result Areas, and legal compliance, rather than on administrative and operational matters.

The board meeting is an ideal forum for the board to engage in strategic thinking in order to ensure the ongoing relevance and appropriateness of its strategic plan and Key Result Areas. The meeting should adopt a future building on past learning.

Board meetings should be managed in a manner designed to encourage diversity of opinion, ensuring input from all board members as appropriate without prejudicing effective and efficient decision-making.

The importance of making board meetings focused and productive and the influence of board meetings in shaping board member behavior should not be underestimated. In reality board meetings are likely to get a little 'off track' from time to time and boards may find it necessary to reflect on current meeting practices in order to re-focus. The following points outline some of the key features of a productive and well managed board meeting that can be used as a quick audit with your board.

- Board meetings start and finish on time.
- The agenda is distributed to board members with sufficient time to read.
- Everyone thoroughly reads the meeting agenda and board papers prior to the meeting.
- The Chair ensures that the agenda is followed and that meetings run on time.
- The Chair invites and includes all members to participate in discussion.
- Members are respectful of the Chairs authority.
- Debates are robust and conducted in a courteous manner.

- Member's contributions are relevant and concise focusing on strategic issues rather than operational matters.
- Members are happy to accept collective decisions even when they have been voted against.

## L. Board Agenda

A good meeting agenda will serve as a guide to participants, making the meeting more efficient and productive by encouraging the group to think out what needs to be accomplished.

The following may be considered while developing an agenda for a purposeful meeting:

- What decisions need to be made?
- Are there matters coming out of the Committees that require a board decision
- Are all items accompanied by clear recommendations for action
- What items require noting?
- Put the most urgent items at the beginning of the agenda where the board members are 'fresh' and in case the meeting has to break with unfinished business.
- It can be a good idea to put time allocations next to items, more or less depending on their importance.
- Don't make the agenda too long.

## M. Board Calendar

A Board Calendar should be mapped out at the start of each year and serves two important functions. It provides board members with a clear outline of their commitments for the upcoming year.

### **References**

*Ram Charan, Dennis Carey, & Michael Useem (2013) Boards That Lead: When to take charge, When to Partner, and When to Stay Out of the Way*

*Board Effectiveness: What works best PWC*

*Neville Bain (2010) The Effective Board Building: Individual and Board Success*

*Bob Garratt (2001) Board performance, not just Board conformance*

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## BOARD MEETINGS THROUGH VIDEO CONFERENCING

**CS Disha Kant\***

*Assistant Education Officer, ICSI*

At the point of time when technologies are converging and turning to become core competencies, adapting a mode which can give an opportunity for each one to participate in a meeting without being physically present becomes inevitable. In the Companies Act, 2013 there are several provisions which promote technology in convening and conduct of meetings through electronic mode.

The Companies Act, 2013 allows the directors to attend Board meetings through video conferencing. Section 173 of the Act provides that the every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

It has been further provided that the participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time.

Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014 lays down the procedure which a company needs to comply with for convening and conducting of board meetings through video conferencing or audio-visual means.

"Video conferencing or other audio visual means" under the rule has been defined to mean audio-visual electronic communication facility employed which enables all the persons participating in a meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting.

### **Notice of such meeting**

The notice sent to the directors under section 173(2) shall inform the directors regarding the option available to them to participate through video conferencing or other audio visual means. Notice shall also include all the necessary information to enable the directors to participate through video conferencing or other audio visual means.

### **Matters that cannot be dealt through video conferencing or other audio- visual means**

It is pertinent to note here that the Rule 4 prescribe the matters that cannot be dealt through video conferencing or other audio- visual means which are as under:

- the approval of the annual financial statements;

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\* The views expressed are personal views of the author and do not necessarily reflect those of the Institute.

- the approval of the Board's report;
- the approval of the prospectus;
- the Audit Committee Meetings for consideration of financial statements including consolidated financial statements, if any, to be approved by the Board under section 134(1); and
- the approval of the matter relating to amalgamation, merger, demerger, acquisition and takeover.

### **Intimation by the Directors (Sub-rule 3(c))**

The director intending to participate through Video conferencing is required to intimate his intention to the Chairperson or the company secretary of the company. A director is expected to give prior intimation to that effect sufficiently in advance so that the company makes suitable arrangements in this regard.

Further where the director desires to participate through video conferencing, he may intimate his intention at the beginning of the calendar year and such intimation shall be valid for one year.

In the absence of any intimation by director of mode of attendance, it shall be assumed that the director shall attend the meeting in person.

### **Place of Meeting (Sub-rule 6 & 7)**

The scheduled venue of the meeting as set forth in the notice of the meeting shall be deemed to be the place of the said meeting. All recordings of the proceedings at the meeting shall be deemed to be made at such place.

All statutory registers shall be placed at the scheduled venue of the meeting. The registers where required shall be deemed to have been signed by the directors participating through electronic mode, only if they have given their consent to this effect and the same needs to be recorded in the minutes of the meeting.

### **Quorum (Sub-rule 5 Explanation)**

A director participating in a meeting through video conferencing or other audio visual means shall be counted for the purpose of quorum unless he is to be excluded for any items of business under any provisions of the Act or the rules. The Chairperson shall ensure that the required quorum is present throughout the meeting.

### **Roll Call**

At the commencement of the meeting, the chairperson shall take a roll call and every director participating through video conferencing shall state, for the record, the following:

- (a) name;

- (b) the location from where he is participating;
- (c) that he has received the agenda and all the relevant material for the meeting; and
- (d) that no one other than the concerned director is attending or having access to the proceedings of the meeting

After the roll call, the Chairperson or the Company Secretary shall inform the Board about the names of persons other than the directors who are present for the said meeting at the request or with the permission of the Chairperson and confirm that the required quorum is complete.

### **Identification & Voting [Sub-rule 8, 9 & 11(a)]**

The rules require that every participant shall identify himself for the record before speaking on any item of business on the agenda. If a statement of a director in the meeting through video conferencing or other audio visual means is interrupted or garbled, the Chairperson or Company Secretary shall request for a repeat or reiteration by the Director.

In case the motion is objected to and there is a need to put it to vote, the Chairperson shall call the roll and note the vote of each director who shall identify himself while casting his vote.

At the end of discussion on each agenda item, the Chairperson of the meeting shall announce the summary of the decision taken on such item along with names of the directors, if any, who dissented from the decision taken by majority.

### **Sitting Fees**

According to section 197(5) of the Act, a director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board.

This simply means that sitting fee is payable to a director who participates in a meetings, either committee meetings or the board meetings. The board and committee meetings under the Act can be conducted using electronic mode, hence derivatively sitting fees is payable to a director who participates in a meetings through any of two modes viz. in person or through video conferencing or any other audio visual means.

Further rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 provides that such sum would be as may be decided by the Board of directors which shall not exceed one lakh rupees per meeting of the Board or the committee.

### **Recording of proceedings**

The proceedings of the meeting are to be recorded either by way of the tape recording or other electronic recording mechanism. Under these rules, it is the responsibility of the Chairperson and Company secretary to record proceedings and to store for safekeeping and marking the tape recording(s) or other electronic recording mechanism as part of the records of the company. Hence, it is suggested that such recording should be duly authenticated by the Chairman, to avoid the possibility of tampering. Access to such recording may be allowed to all the directors.

In case where the recording gets corrupted before the recording of minutes, it is advisable that the company secretary continues to minute the proceedings at the meeting.

### **Minutes (Sub-rule 11(b), 12(a), (b) & (c))**

The minutes shall disclose the particulars of the directors who attended the meeting through video conferencing. The draft minutes of the meeting shall be circulated among all the directors within 15 days of the meeting either in writing or in electronic mode as may be decided by the Board.

Every director who attended such meeting, whether personally or through video conferencing shall confirm or give his comments in writing, about the accuracy of recording of the proceedings, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.

After completion of the meeting, the minutes shall be entered in the minute book as specified under section 118 of the Act and signed by the Chairperson.

### **Role of the Chairperson and the Company Secretary**

Role of the Chairperson and the Company Secretary with respect to Electronic meetings is specified in the sub-rule (2) which is as under:

The Chairperson of the meeting and the company secretary, if any, shall take due and reasonable care-

- a) to safeguard the integrity of the meeting by ensuring sufficient security and identification procedures;
- b) to ensure availability of proper video conferencing or other audio visual equipment or facilities for providing transmission of the communications for effective participation of the directors and other authorised participants at the Board meeting;
- c) to record proceedings and prepare the minutes of the meeting;
- d) to store for safekeeping and marking the tape recording(s) or other electronic recording mechanism as part of the records of the company at least before the time of completion of audit of that particular year.
- e) to ensure that no person other than the concerned director are attending or have access to the proceedings of the meeting through video conferencing mode or other audio visual means; and
- f) to ensure that participants attending the meeting through audio visual means are able to hear and see the other participants clearly during the course of the meeting.

According to the proviso persons who are differently abled, may make request to the Board to allow a person to accompany him.

Secretarial Standard-1 on Meetings of the Board of Directors also contains the provisions for conducting of meetings through electronic mode. Section 118(10) of the Act mandatorily requires observance of the Secretarial Standard by the Companies. (Yet to be notified).

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**Circulars, Notifications, Orders, Amendments**

**No. 07/04/2014-FB-V  
Government of India  
Ministry of Finance  
[Department of Economic Affairs]**

New Delhi, Dated 1st January, 2015

**GUIDELINES FOR PROCESSING CASES OF INDIA-SPECIFIC AND REGIONAL STUDIES  
CONDUCTED BY MULTILATERAL DEVELOPMENT BANKS**

Multilateral Development Banks (MDBs) like World Bank, Asian Development Bank, IFAD and IFC etc. conduct India-specific bilateral and regional studies covering one or more neighboring countries from time to time on various subjects / sectors. Standard protocol for dealing with such studies was issued vide Office Memorandum No. 03/01/2013-FB VII dated February 4, 2013. Now, with the approval of the Finance Secretary, it has been decided to revise the protocol for India-specific and regional studies conducted by the MDBs, except for the studies having separate protocol of their own. The revised protocol will be as below -

- 1 Specific approval of Government of India will be required for both India - specific and regional studies covering India conducted by the MDBs.
2. Although there could be some variations depending on the context / subject of study, the broad protocol will be as under:-

**2.1. Concept Stage**

- The concerned MDB will send a concept note and Terms of Reference (TOR) for the proposed study to the DEA at the inception stage. The concept note will include objective, origin / motivation of the study, envisaged benefits, funding source, proposed data sources to be used in the study, etc. It will also clearly state whether any primary survey is proposed to be undertaken, and if so where.
- DEA will refer the concept note and TOR to sectoral line Ministries / Departments within one week of receiving the same from the MDB.
- Each line Ministry will nominate a nodal officer, not below the level of Director/ Deputy Secretary, for intra-Departmental co-ordination and as a focal point to deal with all references on the subject within one week of receiving the reference from the DEA.
- Line Ministries / Departments will send their comments within 3 weeks of receiving the document from the DEA. Their comments will include desirability/ relevance of the study, in Indian context (i.e., whether the study should at all be undertaken), methodology or any other suggestion to further improve the outcome of the study.
- In case of regional studies involving neighboring countries, comments of Ministry of External Affairs will be sought from political angle. MEA will furnish their comments within three weeks of receiving the reference from the DEA.
- Comments of Ministry of Home Affairs (MHA) would be sought in cases where security angle is involved. The comments of MHA will be mandatory if the study involves field work or interaction in border areas or the subject matter of the study has direct

connection with the internal and external security aspects. MHA is also expected to respond within three weeks.

- In cases, where the comments are not received within the stipulated time or there is any objection or difference of opinion amongst line Ministries / Departments on the proposed study, DEA will convene a meeting in which the concerned MDB would be asked to make a detailed presentation about, the study. The representatives of the concerned line Ministry or any other Ministry, as the case may be, would also be invited. Clearance would be issued based on the discussion and the decision reached in the meeting.
- If even after the consultations and discussions in the meeting, there is no convergence of views, the final decision would be taken by the DEA based on the facts and the relevance of the study in the Indian context.

## **2.2. Preparation of the Draft Report**

- The Study will be undertaken by the MDB after clearance of Government of India is received.
- MDB team will interact with the nodal officers of all sectoral line Ministries during preparation of the draft report. The nodal officer will facilitate further interaction within his/her Ministry/ Department with MDB representatives, if required. In particular the data source proposed to be used will be discussed with the line Ministries.
- Wherever Indian Government data sources for a particular description / attribute is available, MDBs are expected to use the same.
- The feedback of sectoral line Ministries will be appropriately reflected in the draft Report.
- DEA will facilitate interactions of the MDB with sectoral line ministries, if required.

## **2.3 After Preparation of the Draft Report and before dissemination**

- The draft report will be shared with the DEA at least 10 weeks before the planned dissemination of the Report.
- Following timelines shall be applicable for processing the draft report:-

<b>Activity</b>	<b>Timelines</b>
Sharing of the draft report with sectoral line Ministries (and also MEA in case of regional studies) by the DEA	Within 1 week from the receipt of the draft report from the MDB.
Comments of Sectoral line Ministries	Within 3 weeks from the date of receipt of the draft report from DEA
Presentation to be organized by the DEA with line Ministries and MDB, if required. (This will be done in case of objection to the findings in the report or in case of difference of opinion amongst sectoral line Ministries)	Within two weeks of receiving comments from line ministries.

- The remaining window of 4 weeks is meant to enable the MDB to examine the comments of sectoral line Ministries on draft report and their incorporation in the final report.
- Final dissemination of the report will be only after approval of Government of India.
- In case of regional studies covering countries other than India, the India-part of the Report will not be disseminated/ released in any country without specific approval of the Government of India.
- All Regional reports / study by the MDB will carry a disclaimer on the following line: The study reflects the views of the World Bank/ADB (as the case may be) and does not necessarily reflect the views of the Governments of the countries covered by the study. The findings of the study would, thus, not be binding on the countries covered by the study.
  - In case of India-specific studies, the same would be worded as "the study reflects the views of the World Bank/ADB (as the case may be) and does not necessarily reflect the views of the Government of India and the findings of the study are not binding on the Government of India.

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[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)]

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**NOTIFICATION**

New Delhi, the 16th January, 2015

**G.S.R..... (E).** — In exercise of the powers conferred by section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Accounts) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Accounts) Amendment Rules, 2015.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Companies (Accounts) Rules, 2014,-

(i) after rule 2, following rule shall be inserted, namely:-

**“2A. Notice of address at which books of account are to be maintained.-** For the purposes of the first proviso to sub-section (1) of section 128, the notice regarding address at which books of account may be kept shall be in Form AOC-5.”

(ii) in rule 6, after the third proviso, the following proviso shall be inserted, namely:-

“Provided also that nothing in this rule shall apply in respect of consolidation of financial statement by a company having subsidiary or subsidiaries incorporated outside India only for the financial year commencing on or after 1<sup>st</sup> April, 2014.”

(iii) in the Annexure, after Form AOC-4, the following Form shall be inserted, namely:-

*Tahalip*  
16/01/15

# FORM NO. AOC-5

[Pursuant to first proviso to sub-section (1) of section 128 of the Companies Act, 2013 and Rule 2A of Companies(Accounts) Rules, 2014]



## Notice of address at which books of account are to be maintained

Form language  English  Hindi

Refer the instruction kit for filing the form.

1.(a) \* Corporate identity number (CIN) of company

Pre-Fill

(b) Global location number (GLN) of company

2.(a) Name of the company

(b) Address of the registered office of the company

3. \* Date of board resolution wherein a decision regarding address at which books of account are to be maintained has been taken  (DD/MM/YYYY)

4. Address at which the books of account are to be maintained

(a) \*Address Line I

Line II

(b) \*City

(c) \*State

(d) Country

(e) \*Pin code

5. Details pertaining to police station under whose jurisdiction the place of the address at which the books of account are to be maintained falls

(a) \*Police station name

(b) \* Address Line I

Line II

(c) \*City

(d) State

(e) Country

(f) \*Pin code

List of attachments

Attachments

1. \*Copy of board resolution

Attach

2. Optional attachment(s) - if any

Attach

Remove attachment

H. H. Shah  
16/01/18

### Declaration

I am authorized by the Board of Directors of the Company vide \*resolution number

\*dated  to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I also declare that all the information given herein above is true, correct and complete including the attachments to this form and nothing material has been suppressed.

\*To be digitally signed by

**DSC Box**

\*Designation

\*Director identification number of the director or   
membership number of the company secretary or  
DIN/PAN of Manager or CEO or CFO

**Note: Attention is also drawn to provisions of Section 448 and 449 which provide for punishment for false statement and false evidence.**

**Modify**

**Check Form**

**Prescrutiny**

**Submit**

For office use only:

Affix filing details

eForm Service request number (SRN)

eForm filing date

(DD/MM/YYYY)

This e-Form is hereby registered

Digital signature of the authorising officer

Confirm submission

Date of signing

(DD/MM/YYYY)

[F. No. 1/19/2013-CL-V-Part]



AMARDEEP SINGH BHATIA, Joint Secretary

**Note :-** The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 239(E), dated the 31<sup>st</sup> March, 2014 and was subsequently amended by notification number G.S.R. 723(E), dated the 14<sup>th</sup> October, 2014.

[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)]

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
NOTIFICATION**

New Delhi, the 19th January, 2015

**G.S.R. ....(E)** — In exercise of the powers conferred under section 135 and sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Corporate Social Responsibility Policy) Rules, 2014, namely:—

1. (1) These rules may be called the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2015.  
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Corporate Social Responsibility Policy) Rules, 2014, in rule 4, in sub-rule (2),—
  - (i) for the words “established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise”, the words “established under section 8 of the Act by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company, or otherwise” shall be substituted;
  - (ii) in the proviso, in clause (i), for the words “not established by the company or its holding or subsidiary or associate company, it”, the words “not established by the company, either singly or alongwith its holding or subsidiary or associate company, or alongwith any other company or holding or subsidiary or associate company of such other company” shall be substituted.

[F. No. 1/18/2013-CL-V-Part]

  
AMARDEEP SINGH BHATIA,  
Joint Secretary to the Government of India

**Note.** - The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 129(E), dated the 27<sup>th</sup> February, 2014 and was subsequently amended by notification number G.S.R. 644(E), dated the 12<sup>th</sup> September, 2014.

[To be published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i)]

**Government of India  
Ministry of Corporate Affairs**

**NOTIFICATION**

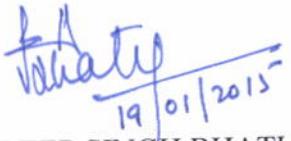
New Delhi, the 19th January, 2015

**G.S.R. ....(E)**.— In exercise of the powers conferred by the second proviso to sub-section (1), sub-section (4) and clause (f) of sub-section (6) of section 149, sub-sections (3) and (4) of section 150, section 151, sub-section (5) of section 152, section 153, section 154, section 157, section 160, sub-section (1) of section 168 and section 170 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Appointment and Qualification of Directors) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Appointment and Qualification of Directors) Amendment Rules, 2015.  
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Appointment and Qualification of Directors) Rules, 2014, in rule 16, the following proviso shall be inserted, namely:-

“Provided that in case a company has already filed **Form DIR-12** with the Registrar under rule 15, a foreign director of such company resigning from his office may authorise in writing a practising chartered accountant or cost accountant in practice or company secretary in practice or any other resident director of the company to sign **Form DIR-11** and file the same on his behalf intimating the reasons for the resignation.”.

[F. No. 01/9/2013-CL.V(Part-II)]

  
(AMARDEEP SINGH BHATIA)  
Joint Secretary to the Government of India

**Note.-** The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), *vide* number G.S.R. 259(E), dated the 31<sup>st</sup> March, 2014 and was subsequently amended by notification number G.S.R. 671 (E), dated the 18<sup>th</sup> September, 2014.



January 21, 2015

Dear Members,

**Sub: Views/Suggestions solicited on Draft proposed Accounting Standard for Local Bodies (ASLB) 24 on 'Presentation of Budget Information in Financial Statement'**

The Institute of Chartered Accountants of India (ICAI), constituted the Committee on Accounting Standards for Local Bodies (CASLB) with the primary objective of formulation of the Accounting Standards for Local Bodies (ASLBs).

The CASLB has finalised draft of the proposed Accounting Standards for Local Bodies (ASLB) 24 on 'Presentation of Budget Information in Financial Statements' for preliminary exposure, which is available on ICSI website in 'What's New' section under the link <https://www.icsi.edu/WebModules/aslb%2024.pdf>

We shall highly appreciate to receive the same on [akansha.rawat@icsi.edu](mailto:akansha.rawat@icsi.edu) for submitting to CASLB latest by January 24, 2015.

Regards,

**Dr. S. K. Dixit**  
*Joint Secretary*



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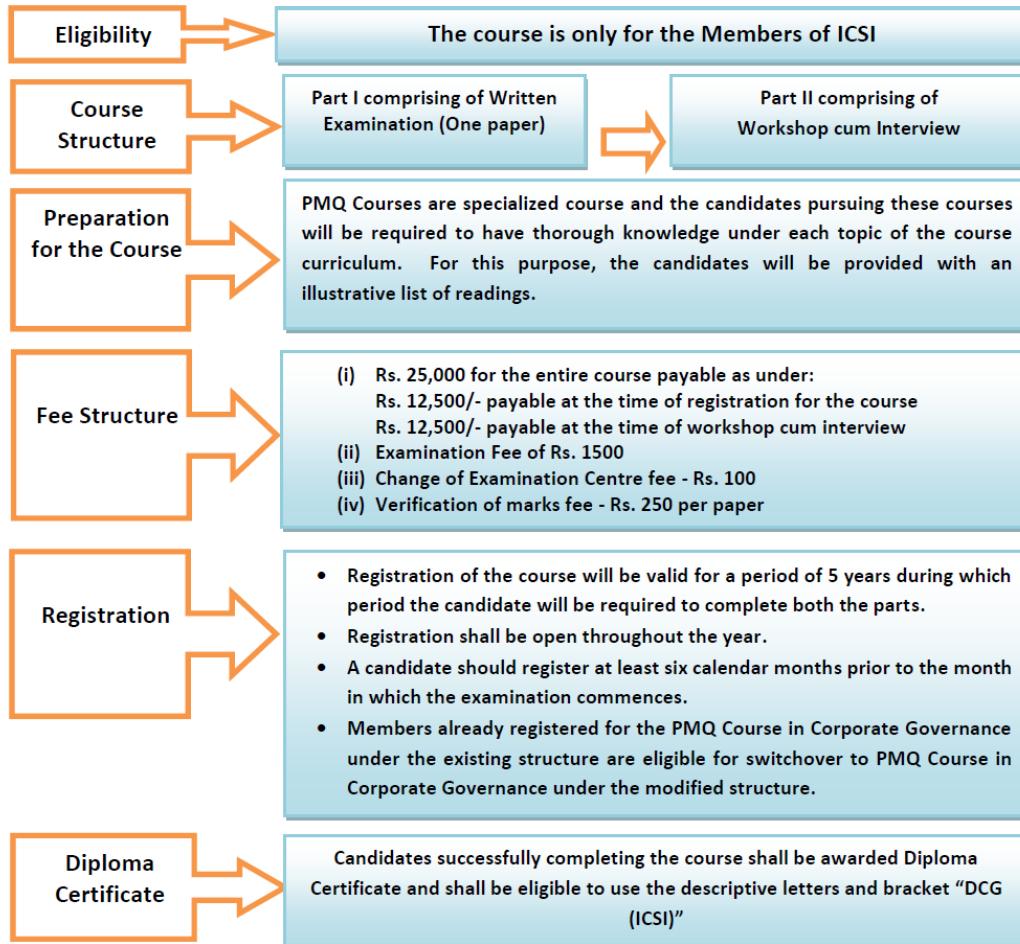
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- Part I: Written Examination in one paper and
- Part II: Workshop cum Interview

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**Further, the members already registered for the PMQ Course in Corporate Governance under the existing structure may apply for switchover to PMQ Course in Corporate Governance under the modified structure.**

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