

The Company Secretaries Regulations, 1982¹

NOTIFICATION²

ICSI NO. 710 2(1) OF September, 1982: In exercise of the powers conferred by Sub-section (1) of Section 39 of the Company Secretaries Act, 1980 (56 of 1980) read with Sub-section (3) thereof and in supersession of the Company Secretaries Regulations, 1981 except for things done or omitted to be done thereunder, the Council with the previous publication in the Gazette of India and with the approval of the Central Government makes the following regulations, namely:-

Chapter I Preliminary

1. Short title and commencement

(1) These regulations may be called the Company Secretaries Regulations, 1982.

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

2. Definitions and interpretation

In these regulations, unless the context otherwise requires,-

- (a) 'Act' means the Company Secretaries Act, 1980 (56 of 1980);
- (b) 'annual meeting' means, in the year of election, the first meeting of the Council held after the declaration of results of election and in any other year, the first meeting of the Council held on or after the first day of October of that year;

1 As amended upto 2014 vide the Company Secretaries (Amendment) Regulations, 2014, Notification No.710/1(M)/1 published in the Gazette of India, Extraordinary, Part III, Section 4, dated 1st April, 2014.

2 Published in the Gazette of India, Extraordinary, Part III, Section 4, of Serial No. 9 of 16 September, 1982.

- (c) 'appropriate form' means a form specified by the Council suitable for the purpose as amended from time to time;
- (d) 'certificate of practice' means a certificate granted under these or earlier regulations entitling the holder to practise as a Company Secretary;
- (e) 'earlier regulations' means the Company Secretaries Regulations, 1981, and the Company Secretaries Regulations, 1971;
- (f) 'journal' means the official journal published by the Institute under the name and style 'Chartered Secretary' and includes a supplement to the Journal;
- (g) 'licentiate' means a person entitled to use the descriptive letters Licentiate ICSI under Regulation 29 of these regulations;
- (h) 'member' means an Associate or Fellow member of the Institute;
- (i) 'misconduct' in relation to a member means and includes any professional or other misconduct as specified in Section 22 of the Act or in any of the Schedules to the Act;
- (j) 'office' means the Headquarters of the Institute;
- (k) 'registered student' means a person registered as a student under these or earlier regulations and includes a student registered as such with the dissolved company immediately before the commencement of the Act;
- (l) 'schedule' means any of the schedule to these regulations;
- (m) 'secretary' means the secretary of the Institute appointed under Sub-section (1) of Section 16 of the Act and includes a Deputy Secretary, an Assistant Secretary or any person acting as Secretary under the directions of the Council;
- (n) 'section' and 'sub-section' mean respectively a Section and Sub-section of the Act;

- (o) all words and expressions used herein and not defined in these regulations but defined in the Act shall have the meanings respectively assigned to them in the Act.

Chapter II Members

³3. Register

The Register of members of the Institute shall be maintained in the proforma as provided in Schedule A and every member shall be required to communicate to the Institute any change of professional address, within one month of such change].

4. Qualification for members

- (1) *Associate members*: No person shall be entitled to have his name entered in the Register as an Associate, unless he,-
- (a) was an Associate of the dissolved company immediately before the commencement of the Act; or
 - (b) was admitted as an Associate under the earlier regulations; or
 - (c) is a holder of the Diploma in Company Secretaryship awarded by the Government of India; or
 - (d) has passed the examinations conducted by the dissolved company and has completed practical training either as specified in the earlier regulations or as provided in Chapter VII of these regulations; or
 - (e) has passed the qualifying examinations and completed the practical training as specified in Chapter VII of these regulations; or

³ Substituted by the Company Secretaries (Amendment) Regulations, 1988, Notification No. ICSI/710(2) (M) (2), published in the Gazette of India, Extraordinary, Part III, Section 4, dated 22.8.1988, for the following:

[3. *Register*

The Register of Members of the Institute shall be maintained in the proforma as provided in Schedule A.]

- (f) has passed such other examination and completed such other training without India as is recognized by the Central Government or the Council as being equivalent to the examination and training as specified in Chapter VI and VII of these regulations; ⁴[or]
- ⁵[(g) had registered himself as a student with the Institute of Chartered Secretaries and Administrators, London on or before 31st December, 1972 and had passed the Final Examination or Professional Programme Examination of that Institute and had either possessed the required practical experience or undergone the prescribed practical training as stipulated for candidates passing the Final Examination or Professional Programme Examination conducted by the Institute; or
- (h) is an Indian citizen who is a “person resident outside India” as defined in clause (p) of Section 2 of the Foreign Exchange Regulations Act, 1973 (46 of 1973) and has become a member of the Institute of Chartered Secretaries and Administrators, London, after passing the qualifying examination conducted by that Institute and had either possessed and required practical experience in India or abroad, or undergone the prescribed practical training as stipulated for the candidates passing the Final Examination or Professional Programme Examination conducted by the Institute.]
- (2) *Fellow members*: No person shall be entitled to have his name entered in the Register as a Fellow unless
- (a) was a Fellow (including Honorary Fellow) of the dissolved company immediately before the commencement of the Act; or
- (b) was admitted as a Fellow under the earlier regulations; or

4 Inserted by the Company Secretaries (Amendment) Regulations, 1984, Notification No. ICSI/710/2/M(1), published in the Gazette of India, Extraordinary dated 30-3-1984.

5 Inserted, *ibid.*(g)

- (c) is an Associate and has been in continuous practice in India as a Company Secretary for at least five years; or
- (d) is an Associate for a continuous period of not less than five years and possesses experience of not less than five years on the date of application in a supervisory position, of which at least three years shall be as a secretary or in a post considered equivalent or higher thereto by the Council in a company or body corporate having an aggregate paid-up capital of not less than rupees twenty-five lakhs; or
- (e) is an Associate for a continuous period of not less than five years and possesses five years total experience in the disciplines of law, management or commerce, either in a Group A post in the Central Government or any equivalent post in the State Government or local Authority or in a supervisory position in any organization deemed by the Council as equivalent to the experience specified in clauses (c) or (d).

Provided that in the case of any person belonging to any of the classes mentioned in sub-regulations (1) or (2) who is not permanently residing in India, the Council may, by resolution, impose such further conditions as it may deem necessary or expedient.

Explanation — For purposes of clause (d) of sub-regulation (2), a body corporate shall include a statutory body, a society registered under any law relating to societies or a co-operative society registered under any law relating to co-operative societies and where such body corporate does not have any paid-up capital, general reserves of not less than rupees fifty lakhs shall be deemed to be equivalent to paid-up capital of rupees twenty-five lakhs.

5. Application for membership

(1) Every person who desires to have his name entered in the Register as an Associate shall submit to the Secretary an application in the appropriate form.

(2) An Associate who desires to have his name entered in the Register as a Fellow, shall submit to the Secretary an application in the appropriate form.

(3) The applicant shall furnish such further clarification as the Secretary or the Council may at any time require from him for purposes of considering his application for membership.

6. Fees

6 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

[6. Fees

(1) Every person other than a person referred to in Sub-section (2) of Section 4 applying for an Associate membership of the Institute shall pay an entrance fee as specified in Schedule B.

(2) An Associate applying for admission as a Fellow [other than a person referred to in Sub-section (2) of Section 4] shall pay an entrance fee as specified in Schedule B.

(3) An Associate shall pay an annual membership fee as specified in Schedule B.

Provided that only half the amount of the annual membership fee shall be payable for the first year by a person admitted on or after the first day of October of that year.

Provided further that an associate who is of the age of fifty-five years or above and is not in any gainful employment or in practice shall pay half of the annual membership fee.

(4) A Fellow shall pay an annual membership fee as specified in schedule B.

Provided that in respect of any year in which an Associate applies for admission as a Fellow he shall pay to the Institute the difference between the annual membership fee, if any, paid by him as an Associate for that year and the fee payable by him as Fellow.

Provided further that a Fellow who is of the age of fifty-five years or above and is not in any gainful employment or in practice shall pay half of the annual membership fee.

(5) Every members entitled to obtain a certificate of practice shall pay an annual certificate fee for holding the certificate of practice as specified in Schedule B.

Provided that only half the amount of the annual certificate fee shall be payable for the first year by a member for obtaining certificate of practice on or after the first day of October of that year.

(1) Every person other than a person referred to in Sub-section (2) of Section 4 of the Act applying for Associate membership of the Institute shall pay an entrance fee as may be determined by the Council under Sub-section (3) of Section 4 of the Act.

(2) An Associate applying for admission as a Fellow [other than a person referred to in Sub-section (2) of Section 4] shall pay an entrance fee as may be determined by the Council under Sub-section (3) of Section 5 of the Act.

(3) The annual membership fee shall become due on the first day of April in each year.

(4) Every member shall pay such annual membership fee as may be determined by the Council under Sub-section (4) of Section 19 of the Act:

Provided that in respect of any year in which an Associate applies for admission as a Fellow he shall pay to the Institute the difference between the annual membership fee, if any, paid by him as an Associate for that year and the fee payable by him as a Fellow:

Provided further that only half the amount of the annual membership fee shall be payable for the first year by a person admitted on or after the first day of October of that year:

Provided also that a member who is of the age of sixty years or above and is not in any gainful employment or in practice shall pay half of the annual membership fee:

Provided also that a member who is of the age of seventy years or above and is not in any gainful employment or in practice shall pay one fourth of the annual membership fee.

(5) (a) The annual fee for certificate of practice shall

(6) The annual membership fee and annual certificate fee payable by a member under sub-regulations (3), (4) and (5) shall become due and payable on the first day of April in each year.]

become due on the first day of April in each year.

- (b) Every member in practice shall pay such annual certificate of practice fee, as may be determined by the Council under Sub-section (2) of Section 6 of the Act:

Provided that only half the amount of the annual certificate fee shall be payable for the first year by a member for obtaining certificate of practice on or after the first day of October of that year.]

7. Refund of fees

Every person whose application for admission to the membership of the Institute or for issue of certificate of practice is not accepted by the Council, shall be entitled to refund of the fees paid by him.

8. Non-payment of dues

(1) *Annual fee:* Any person who has not paid his annual membership fee or annual certificate fee on or before thirtieth June of that year shall be liable to his name being removed from the Register with effect from first July of that year without any further notice.

(2) *Other dues:* Any person who has not paid the admission fee or other dues payable to the Institute as a member within three months from the date of which such dues have become due and payable to the Institute shall be liable to have his name being removed from the Register on the expiry of the said period of three months.

9. Certificate of membership

(1) On an application for membership being accepted by the Council, an applicant's name shall be entered in the register and a Certificate of Membership in the appropriate form shall be issued to him by the Council.

(2) A member whose name is removed from the register under any of the provisions of the Act or these regulations, shall surrender forthwith the Certificate of Membership then held by him to the Secretary.

10. Certificate of practice

(1) A member of the Institute may apply to the Council in the appropriate form for issue of a certificate of practice entitling him to practise as a Company Secretary anywhere in India.

(2) On acceptance of the applications by the council for issue of certificate of practice, the certificate shall be issued in the appropriate form and shall be valid until it is cancelled.

(3) In the case of renewal of the certificate of practice, the Secretary shall issue a letter extending the validity period of the certificate of practice for that year in the appropriate form.

(4) A member who ceases to be in practice shall not later than thirty days from the date he ceases to be in practice intimate the fact to the Council in writing.

(5) A member who ceases to be in practice or whose certificate of practice has been cancelled under Regulation 11 shall surrender forthwith the certificate then held by him to the Secretary.

7[11. Cancellation of certificate of practice

(1) A certificate of practice issued under Sub-section (1) of Section 6 of the Act shall be liable for cancellation, if –

⁷ Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

11. Cancellation of certificate of practice

(1) A certificate of practice shall be cancelled when,-

- (a) the name of the holder of the certificate is removed from the Register of Members; or
- (b) the Council is satisfied that such certificate was issued on the basis of incorrect, misleading or false information provided by the applicant or by mistake or inadvertence on the part of the Council; or
- (c) the member has ceased to practice; or
- (d) the member has not paid the annual certificate fee on or before thirtieth June of that year.

Provided that before canceling his certificate under clause (b) reasonable opportunity to explain his case shall be given to the member.

- (a) the name of the holder of the certificate is removed from the Register under Sub-sections (1) and (2) of Section 20 of the Act; or
- (b) the Council is satisfied, after giving an opportunity of being heard to the person concerned, that such certificate was issued on the basis of incorrect, misleading or false information provided by the applicant, or by mistake or inadvertence on the part of the Council; or
- (c) a member has ceased to practise; or
- (d) a member has not paid annual fee for certificate of practice till 30th day of September of the relevant year.
- ⁸[(e) A member has not complied with the guidelines issued by the Council from time to time.]
- (2) The cancellation of a certificate shall be effective, –
 - (a) in a case falling under clause (a) of sub-regulation (1), on the date on which and during the period for which the name of the holder of the certificate was removed from the Register of members;
 - (b) in a case falling under clause (d) of sub-regulation (1), from the 15th day following the date of issue of notice by the Secretary on or after the 1st day of

Footnote contd. from previous page.

(2) The cancellation of a certificate shall be effective-

(a) in a case falling under clause (a) of sub-regulation (1) from the date on which and during the period for which the name of the holder of the certificate was removed from the Register of Members; and

(b) in any other case, from such date and for such period as the Council may determine.

(3) When a certificate is cancelled, the date from which and the period for which the certificate shall stand cancelled shall be communicated in writing by registered post to the member concerned at the address entered in the Register and may also be published in the Journal.

⁸ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

October; and

- (c) in any other case from such date and for such period, as may be decided by the Council;

(3) When a certificate is cancelled, the date from which and the period for which the certificate shall stand cancelled shall be communicated in writing by registered post to the member concerned at the address entered in the Register and may also be published in the Journal.

(4) Where a certificate of practice is cancelled, the holder of such certificate shall surrender the certificate to the Secretary within 15 days from the date of receipt of notice of such cancellation or from the date of the notification thereof published in the Journal, whichever is later, under sub-regulation (3).]

12. Notification of removal of membership

The removal of the name of any person from the Register shall be communicated in writing to him by registered post to the address entered in the Register and may also be published in the Journal.

⁹[13. Restoration of membership

⁹ Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

[13. Restoration of membership

(1) A person whose name has been removed from the Register or stood removed from the Register of members of the dissolved company for non-payment of fees, may apply in the appropriate form to the Council for restoration of his name in the Register, if he is otherwise eligible for the membership of the Institute.

[(2) Such person shall also pay to the Council before such restoration;—

- (a) the admission fee and other dues, if any;
- (b) the arrears of annual membership fee, due to the Council or to the dissolved company for previous year if any;
- (c) the annual membership fee for the year in which he seeks restoration, if any; and
- (d) a restoration fee as specified in Schedule B.]

(3) On receipt of his application for restoration of his name in the Register and the dues, if any, as provided in sub-regulation (2), the

(1) The Council may, on an application in the appropriate form, received in this behalf from a member whose name stood removed from the Register of members of the dissolved company or under clause (c) of Sub-section (1) of Section 20 of the Act, for non-payment of fees may restore his name, if he is otherwise eligible to such membership, on his paying the arrears of annual membership fee, entrance fee and additional fee as may be determined by the Council under Sub-section (3) of Section 20 of the Act.

(2) The restoration under sub-regulation (1) shall be effected from the date on which the application and fee are received:

Provided that where such an application for restoration, complete in all respects, is received within the same year in which the name was removed, the Council may restore the name on his paying the annual membership fee due for that year, entrance fee and the additional fee for restoration, with effect from the date on which it was removed from the Register :

Provided further that the restoration of a member's name which was removed under the orders of the Board of Discipline or the Disciplinary Committee or the Appellate Authority or the High Court shall be effected only in accordance with such orders.

(3) The restoration of a member's name to the register shall be communicated in writing to him and may also be published in the journal.]

¹⁰[14. Restoration of Certificate of practice

Council may restore his name in the Register from the date of removal or from such other date as it deems fit.

Provided that the restoration of the name of a person removed under clause (d) of Sub-section (1) or Sub-section (2) of Section 20 shall be effected only in accordance with the orders passed by the Council or the High Court, as the case may be.

(4) On acceptance of application for restoration, the restoration of name in the Register shall be communicated in writing to the person concerned and may also be published in the Journal.

10 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of

(1) The Council may, on an application made in appropriate form and on payment of such fee, as may be determined by the Council under Sub-section (3) of Section 20 of the Act, restore the certificate of practice with effect from the date on which it was cancelled, to a member whose certificate has been cancelled due to non-payment of the annual fee for the certificate of practice and whose application, complete in all respects, together with the fee, is received by the Secretary before the expiry of the relevant year.

(2) On acceptance of the application for restoration, the restoration of certificate of practice shall be communicated in writing to the person concerned and may also be published in the Journal.]

Chapter III

Complaints and Enquiries Against Members

15. Complaints and enquiries relating to professional or other misconduct of members

¹¹[Applicable to a complaint or information pending

India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

[14. *Restoration of Certificate of practice*

(1) A member whose certificate of practice has been cancelled may apply for its restoration if he is otherwise eligible for such restoration, by paying the arrears of the annual certificate fees for the previous years, if any, and the annual certificate fee for the year in which his certificate of practice is required to be restored, subject to a maximum amount of rupees two hundred and a restoration fee as specified in Schedule B.

(2) The Council may, on receipt of such application and the dues, if any, restore the certificate of practice from the date of its cancellation or from such other date as it deems fit.

(3) On acceptance of the application for restoration, the restoration of certificate of practice shall be communicated in writing to the person concerned and may also be published in the Journal.]

¹¹ Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

before the Council or any inquiry initiated by the Disciplinary Committee or any reference or appeal made to a High Court prior to 17.11.2006.].

(1) Subject to the provisions of this regulation, any complaint received against a member of the Institute under Section 21 shall be investigated, and any enquiry relating to misconduct of such member shall be held, by the Disciplinary Committee.

Provided that if the subject matter of a complaint is, in the opinion of the President, substantially the same as or has been covered in any previous information of complaint received, the Secretary may file the complaint without any further action or inform the complainant, accordingly, as the case may be.

(2) A complaint under Section 21 shall be made to the Council in the appropriate form, duly verified as required therein.

(3) Every complaint shall contain the following particulars, namely-

- (a) the acts or omissions which, if proved, would render the member complained against guilty of any professional or other misconduct;
- (b) the oral and/or documentary evidence relied upon in support of the allegations made in the complaint.

(4) Every complaint other than a complaint made by or on behalf of the Central or any State Government, shall be accompanied by a deposit of rupees fifty which shall be forfeited, if the Council, after considering the complaint, comes to the conclusion that no *prima facie* case is made out and, moreover, that the complaint is either frivolous or has been made with *mala fide* intention.

(5) The Secretary shall return a complaint which is not in the proper form or which does not contain the aforesaid particulars or which is not accompanied by the deposit of rupees fifty to the complainant for resubmission after

compliance with such requirements and within such time as the Secretary may specify.

(6) Ordinarily within sixty days of the receipt of a complaint under Section 21 the Secretary shall,-

- (a) if it is against an individual member send particulars of the acts of omissions alleged or a copy of the complaint, as the case may be, to such member at his address as entered in the Register;
- (b) if it is against a firm, send particulars of the acts or omissions or a copy of the complaint, as the case may be, to the firm concerned at the address of the head office of the firm as entered in the Register of offices and firms which a notice calling upon the firm to disclose the name(s) of the member(s) concerned and to send particulars of acts or omissions or a copy of the complaint, as the case may be to member(s).

Explanation-A notice shall be deemed to be a notice to all the members who are partner or employees of that firm.

(7) A member who has been intimated of the complaint made against him under sub-regulation (6) (hereinafter referred to as the respondent) shall, within fourteen days of issue of such intimation or within such further time as the Secretary may allow, forward to the Secretary a written statement in his defence verified in the same manner as the complaint.

(8) On a perusal of the complaint and written statement in any, the Secretary may call for such additional particulars or documents connected there with either from the complainant or the respondent, as he may consider necessary or as may be directed by the President, for perusal of the Council.

(9) Where on a perusal of the complaint, the written statement, if any, of the respondent and other relevant documents and papers, the Council is *prima facie* of opinion that any member has been guilty of professional or other

misconduct, the Council shall cause an enquiry to be made in the matter by the Disciplinary Committee and where the Council is *prima facie* of opinion that there is no case against the respondent, the case shall be dismissed and the complainant, if any, and the respondent shall be informed accordingly.

Provided that the Council may, if deemed necessary, call for any additional particulars or documents connected therewith from the complainant, if any, or the respondent.

- (10) (i) Every notice issued by the Secretary or by the Disciplinary Committee under this Regulation shall be sent to the member or the firm concerned by registered post with acknowledgement due.
- (ii) If the notice is returned unserved with an endorsement to the effect that the addressee had refused to accept the notice, it shall be deemed to have been served.
- (iii) If the notice is returned with an endorsement indicating that the addressee cannot be found at the address given, the Secretary shall ask the complainant to supply to him the correct address to the member or firm concerned and send a fresh notice to the member or firm at the address so supplied.

(11) The provision relating to a notice shall apply *mutatis mutandis* to a letter.

¹²15A. Fee and procedure for investigation of a complaint or information to be followed by the Director (Discipline), Disciplinary Directorate and procedure for inquiry by the Disciplinary Committee. [Applicable to a complaint or information received on or after 17-11-2006.]

¹² Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

(1) Every complaint other than a complaint filed by or on behalf of the Central Government or any State Government, or any statutory authority shall be accompanied by a fee of rupees two thousand five hundred.

(2) Each such complaint or information shall be dealt with in accordance with the procedure specified in the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.]

16. Information relating to misconduct of members

¹³[Applicable to the complaint or information pending before the Council or any inquiry initiated by the Disciplinary Committee or any reference or appeal made to a High Court prior to 17.11.2006].

The procedure laid down in Regulation 15 shall, so far as may be, apply to any information received under Section 21.

17. Time limit for entertaining complaint or information

¹⁴[Applicable to the complaint or information pending before the Council or any inquiry initiated by the Disciplinary Committee or any reference or appeal made to a High Court prior to 17.11.2006].

Save in cases of misconduct involving moral turpitude or in cases instituted by the Central Government or any State Government, the Council may refuse to entertain any complaint or information in respect of misconduct made more than ten years after the same was alleged to have been committed, where the Council is satisfied that there would be difficulty in securing proper evidence of the alleged misconduct or that the member against whom the information has been received or the complaint has been filed, would find it difficult to lead evidence to defend himself on account of the

13 Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

14 Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

time lag, or that changes have taken place rendering the enquiry procedurally inconvenient or difficult.

18. Procedure in enquiry before the Disciplinary committee

¹⁵[Applicable to the complaint or information pending before the Council or any inquiry initiated by the Disciplinary Committee or any reference or appeal made to a High Court prior to 17.11.2006].

(1) It shall be the duty of the Secretary to place before the Disciplinary Committee all facts brought to his knowledge which are relevant for the purpose of any enquiry by the Disciplinary Committee.

(2) The Disciplinary Committee shall have the power to regulate its procedure in such manner as it considers necessary and during the course of enquiry, may examine witnesses on oath and receive evidences on affidavits and any other oral or documentary evidence, exercising its powers as provided in Sub-section (8) of Section 21.

(3) The Disciplinary Committee shall give the complainant and respondent a notice of the meeting at which the case shall be considered by the Committee.

(4) Such complainant and respondent may be allowed to defend themselves before the Disciplinary Committee either in person or through a legal practitioner or any other member of the Institute.

(5) Where, in the course of a disciplinary enquiry, a change occurs in the composition of the Disciplinary Committee, unless any of the parties to such enquiry makes a demand within fifteen days of receipt of a notice of a meeting of such Disciplinary Committee, that the enquiry be made *de novo* report of the Disciplinary Committee shall be called in question on the ground that any member of the Disciplinary Committee did not possess sufficient knowledge of the facts

¹⁵ Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

relating to such inquiry.

(6) The Disciplinary Committee shall after investigation report the result of its enquiry to the Council for its consideration.

19. Procedure in a hearing before the Council

(1) The Council shall consider the report of the Disciplinary Committee and if in its opinion, a further enquiry is necessary, may cause such further enquiry to be made and a further report submitted by the Disciplinary Committee.

(2) After considering such report or further report of the Disciplinary Committee, as the case may be, where the Council finds that the respondent is not guilty of any professional or other misconduct, it shall record its findings accordingly and direct that the proceedings shall be filed or the complaint shall be dismissed as the case may be.

(3) After considering such report or further report of the Disciplinary Committee, as the case may be, where the Council finds that the respondent has been guilty of a professional or other misconduct, it shall record its findings accordingly and shall proceed in the manner as laid down in the succeeding sub-regulations.

(4) Where the finding is that the member of the Institute has been guilty of a professional or other misconduct, the Council shall afford to the member an opportunity of being heard before orders are passed against him in the case. The Council after hearing the respondent, if he appears in person or after considering the representations, if any, made by him, pass such orders as it may think fit, as provided under Sub-section (4) of Section 21.

(5) The orders passed by the Council shall be communicated to the complainant and the respondent.

Chapter IV

Registered Students

20. Conditions for registration

(1) In order to become eligible for registration as a student an applicant shall apply in the appropriate form alongwith the Foundation examination exemption fee, if applicable, student registration fee, annual subscription, if applicable, postal tuition fee and other fees, as determined by the Council from time to time in respect of services to be rendered and produce evidence to the satisfaction of the Council that he,-

- (a) is not less than seventeen years of age on the date of his application, and
- (b) has passed the Foundation examination of the Institute or is eligible for exemption therefrom in accordance with these regulations.

Provided that persons whose registration as students with the dissolved company or with the Institute under the earlier regulations is current immediately prior to the commencement of these regulations, shall on payment of arrears of annual subscription, if any, due from them, be registered as students under these regulations without the payment of any student registration fee for the unexpired portion of the period of five years registered by the dissolved company or the Institute under the earlier regulations, as the case may be.

(2) A person applying for registration shall obtain an identity card and also give an undertaking that he shall, as a registered student, conduct himself in a manner befitting the ideals and standards of the profession of Company Secretaries generally and as specified by the Council from time to time and shall abide by such bye-laws or other standing orders as may be framed by the Council and made applicable to him from time to time.

¹⁶[(2A) A person who has appeared or enrolled himself for appearing in the degree examination in any discipline other

¹⁶ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

than Fine Arts or an examination recognised by the Central Government as equivalent thereto may be provisionally enrolled for undergoing coaching for the Executive Programme.

Provided that the provisional enrolment for undergoing coaching for the Executive Programme shall be confirmed after satisfactory proof of having passed the aforesaid examination has been furnished by him to the Secretary within a period of six months from the date of provisional enrolment ;

Provided further that if such a person fails to produce such proof within the aforesaid period, his provisional enrolment shall be cancelled and no tuition or any other fee paid by him shall be refunded and no credit shall be given for the coaching undergone by him]

(3) 17[*****]

(4) Every person whose application for registration is not accepted by the Secretary shall be entitled to a refund of the fee paid by him, subject to deduction of such administrative charges as the Council may from time to time determine.

21. Registration as a student and time limit for completing examinations

(1) *Registration period:* Every person applying to become a registered student shall be registered in accordance with these regulations for a period of five years from the month in which his application, complete in all respect, is accepted by the Secretary for registration.

(2) *Time limit for completing examinations:* A registered student shall be required to complete the Intermediate

17 The following sub-regulation was omitted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2/M(1), published in the Gazette of India; Extraordinary, dated 30.12.1985. [Every person applying for registration shall pay a submit registration fees as the Council may from time to time as determined.]

examination ¹⁸[or Executive Programme examination] and Final examinations or ¹⁹[Professional Programme examinations] within the registration period.

(3) *Termination of registration:* The registration of a student shall terminate on the expiry of five years or at the end of the year in which the student has completed the Final Examination or Professional Programme Examination whichever is earlier.

Provided that the Council may, subject to such guidelines as may be laid down in this behalf, extend the registration period of a student beyond five years.

22. Registration de novo

A person whose registration has been cancelled under sub-regulation (3) of Regulation 21 or Regulation 27 may, within two years of cancellation of his former registration, apply with registration fee ²⁰[postal tuition fee, service charge and other fee, if any], as provided under Regulation 24 in the appropriate form to become a registered student *de novo*, and on his application being accepted by the Secretary, he shall be deemed for all purposes to have been admitted as a fresh registered student except that he shall be entitled to claim exemption, without payment of any exemption fee, from individual subjects or groups of the Intermediate and/or Final examination, previously secured by him under his former registration with the dissolved company or the Institute, as the case may be.

Provided that if a person applies after two years of the

¹⁸ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

¹⁹ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

²⁰ Inserted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2(m)(1), published in the Gazette of India; Extraordinary, dated 30.12.1985.

expiry of his former registration but in any case within five years thereof, the Council may, subject to such guidelines as may be laid down in this behalf, allow him to be registered *de novo* subject to the payment of ²¹[registration fee, postal tuition fee, service charges, other fee, if any, as provided under Regulation 24] and exemption fee for the individual subjects or groups of the Intermediate and Final examinations in which he secured exemption during his former registration.

23. Status of registered students

The registration of a person as a student shall not confer on such person any rights of a member nor entitle him to claim any form of membership of the Institute of its Regional Council or Chapter, as the case may be.

Provided that such student may be permitted to borrow books from the library of the Institute, Regional Council or Chapter or participate in the activities of the Institute, its Regional Council or Chapter, as the case may be subject to such conditions as may be imposed by the Council, Regional Council or Chapter, as the case may be.

24. Fees by registered students

(1) Every person registered as a student prior to the commencement of these regulations shall be required to pay an annual subscription as may be determined by the Council from time to time which shall be due and payable on the first day of April in each year.

(2) All other fees payable by an applicant for any examination or for registration as a student or by a registered student for particular services to be rendered to him shall be as determined by the Council, from time to time.

(3) The non-payment of any dues to the Institute by a registered student within three months from the date on which it becomes due shall render his registration as a student liable to be cancelled.

25. Restoration of studentship

²¹ Substituted *ibid* for [registration fee.]

The Council may, on a request made to it by a person whose registration has been cancelled in pursuance of sub-regulation (3) of Regulation 24 restore his registration, if he is otherwise eligible thereto, on payment before such restoration of the annual subscription for the year during which his registration is restored, all arrears on account of the annual subscription not exceeding rupees one hundred, all other dues and a restoration fee as may be determined by the Council from time to time.

Provided that no restoration of registration shall be effected unless the request for such restoration is received complete in all respects within two years from the date on which registration was liable to be cancelled under these regulations.

26. Examination requirements

(1) Registered students shall be required to comply with such conditions relating to examinations as may be laid down by the Council from time to time.

(2) *Admission to examination, expulsion and withholding of results.*

- (a) The examination Committee or a person authorized by it in this behalf may, for reasons to be recorded in writing,-
 - (i) refuse to admit a candidate to an examination; or
 - (ii) admit him to an examination subject to such conditions as it or he may consider to be reasonable in the circumstances of a case; or
 - (iii) expel him from an examination hall, after he has been admitted to it in the usual course.
- (b) Notwithstanding the fact that a candidate has obtained the minimum number of marks for passing an examination, the Examination Committee may, for reasons to be recorded in writing, withhold his result.
- (c) Any order passed by the person authorized by the Examination Committee may be reviewed by it and any order passed by the Examination Committee

may be reviewed by the Council.

27. Suspension and cancellation of examination results or registration

In the event of any misconduct by a registered student or a candidate enrolled for any examination conducted by the Institute, the Council or the Committee concerned may *suo moto* or on receipt of a complaint, if it is satisfied that, the misconduct is proved after such investigation as it may deem necessary and after giving such student or candidate an opportunity to state his case suspend or debar the person from appearing in any one or more examinations, cancel his examination result, or studentship registration, or debar him from future registration as a student, as the case may be.

Explanation—Misconduct for the purpose of this Regulation shall mean and include behaviour in a disorderly manner in relation to the Institute or in or near an Examination premises/centre, breach of any regulation, condition, guideline or direction laid down by the Institute, malpractices with regard to postal or oral tuition or resorting to or attempting to resort to unfair means in connection with the writing of any examination conducted by the Institute.

28. Coaching administration and training

(1) The Council may arrange for imparting oral or postal tuition or training to registered students and for this purpose establish and operate a coaching administration by whatever name called, frame guidelines in connection therewith and charge such fee as it may from time to time determine.

(2) The coaching administration shall at all time function subject to the control, supervision and direction of the Council and the Training and Educational Facilities Committee.

(3) The fee payable for imparting postal tuition shall be, as may be determined by the Council from time to time.

²²[Chapter IVA**Corporate Compliance Executive Certificate-ICSI**

28A. Corporate Compliance Executive Certificate

- (1) A registered student of the Institute who has passed the Foundation examination and such papers of the Intermediate Examination or Executive Programme Examination or Executive programme as may be decided by the Council from time to time or exempted therefrom and has completed the training requirements and attended the professional development programmes or such other programmes as may be decided by the Council from time to time may apply for award for the Corporate Compliance Executive Certificate and on his application being accepted by the Secretary and on payment of the requisite fee as may be determined by the Council from time to time, may be awarded Corporate Compliance Executive Certificate of the Institute and shall be entitled to use the descriptive letters 'Corporate Compliance Executive'.
- (2) The student shall have to complete the course of Corporate Compliance Executive Certificate including the training requirements within the registration period.
- (3) The person having awarded the Corporate Compliance Executive Certificate may continue to pursue the regular Company Secretaryship course if he so desires.
- (4) Except to the extent provided in this Chapter or as decided by the Council from time to time, regulations in Chapter IV and VI relating to 'Registered Students' and 'Examinations' shall *mutatis-mutandis* apply to the 'Corporate Compliance Executive Certificate Course'

²² Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012

- (5) A student after having awarded the Corporate Compliance Executive Certificate shall secure such number of Programme Credit Hours (PCSH) as the Council may determine from time to time, for renew of Corporate Compliance Executive Certificate .

28B. Status of holder of Corporate Compliance Executive Certificate

The grant of certificate under regulation 28A shall not confer on the Corporate Compliance Executive the rights of a member, nor entitle him to claim membership of the Institute.]

Chapter V
Licentiate ICSI

29. Licentiateship

(1) A person who has completed the Final examination/ or Professional Programme Examination conducted by the dissolved company or the Institute may, within six months from the date of declaration of results in which he has passed the Final Examination or Professional Programme Examination or within six months from the date of commencement of these regulations whichever is later, apply for enrolling him as a licentiate and on his application being accepted by the Secretary and on payment of the requisite annual subscription as may be determined by the Council from time to time, he shall be enrolled as a licentiate of the Institute and shall be entitled to use the descriptive letters "Licentiate ICSI" to indicate that he has qualified in the Final Examination or Professional Programme Examination of the Institute.

(2) A person admitted as a licentiate in any year shall be required to pay only the difference in annual subscription paid by him as a registered student for that year, and the annual subscription payable as a licentiate.

(3) A licentiate shall not ordinarily be eligible to renew his enrolment for more than five years after passing the Final

examination.

(4) The Council may condone the delay in applying for licentiatehip by any person for reasons to be recorded in writing.

²³[(5) The annual subscription of a licentiate shall become due and payable on the first date of April every year and non-payment of annual subscription on or before the thirteenth of June of a year shall disentitle the person to use the descriptive letters "Licentiate ICSI" from 1st July of that year, until his annual subscription for the year is received by the Institute. The name of the person so disentitled shall be published in the Journal.]

30. Status of licentiates

Grant of licentiatehip under Regulation 29 shall not confer on such licentiate any rights of a member nor entitle him to claim any form of membership of the Institute or its Regional Council or Chapter, as the case may be.

Provided that such licentiate may be permitted to borrow books from the library of the Institute, Regional Council or Chapter or participate in the activities of the Institute, its Regional Council or Chapter as the case may be, subject to such conditions as may be imposed by the Council, Regional Council or Chapter, as the case may be.

Chapter VI Examinations

²⁴[31. Qualifying examination for membership

²³ Inserted, *supra* note 15.

²⁴ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India Extraordinary, dated 30.12.85 for the following:

[31. Qualification for membership

Except as otherwise provided for in the Act or in these regulations, every person desiring to qualify for membership of the Institute shall be required to pass the Final Examination or Professional Programme Examination of the Institute, and also complete the practical training requirements, as specified by the Council from time to time.

Except as otherwise provided for in the Act or in these regulations, every person desiring to qualify for membership of the Institute should have passed the Final Examination or Professional Programme Examination conducted by the dissolved company or has passed the Final Examination or Professional Programme Examination conducted by the Institute and has also complied with other requirements laid down in these regulations.]

32. Conduct of examinations and applications for examination

(1) Examinations shall be conducted in such manner and at such times and places within India or abroad as the Council may direct, provided that the examination shall be held at least once a year.

(2) The dates and places of the examinations and other particulars shall be published in the Journal ²⁵[or Student Company Secretary a monthly bulletine published for students.]

(3) Application for admission to an examination or for exemption from passing any examination shall be made in appropriate form with requisite particulars and fees as may be determined by the Council from time to time and copies of such application may be made out by the candidates themselves.

(4) Every such application shall be sent so as to reach the Secretary in accordance with the direction given by the Council from time to time.

33. Dates of registration

Save as otherwise provided in Regulation 37, candidates

Provided that those who have passed the Intermediate or final examination, under earlier regulations shall not be required to pass the corresponding examination of the Institute.

Provided further that those who have secured exemption from any examination, group or subject under the earlier regulations shall be entitled to corresponding exemption under these regulations.] Please see Appendix III and V for exemptions.

²⁵ Inserted, *supra* note 3.

desiring to appear at an examination shall have themselves registered as students at least nine calendar months prior to the month in which the examination commences, that is to say, if any examination commences in December, the candidates registered upto and including February of that calendar year shall be eligible.

Provided that students registered by the dissolved company or the Institute before the commencement of these regulations shall be eligible to appear in the first examination to be conducted by the Council after coming into force of these regulations subject to fulfillment of the requirement of the earlier regulations.

²⁶[Provided that a candidate may be allowed to appear in one group of an examination if he is registered as a student at least for a period of six calendar months prior to the month in which the examination commences, that is to say, if the examination commences in December, a candidate registered upto and including May of that year shall be eligible]

²⁷[Provided further that students registered with the Institute on or before the thirty first January 1985 and also registered for oral tuition with any of the oral coaching centres recognized by the Council, shall be eligible to appear for one group of the examination held in June, 1986 and no more.]

34. Refund or appropriation of examination fees

26 Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India Extraordinary, dated 30.12.85 (effective from 1.2.86) for the following:

[Provided further that any candidate registered for oral tuition with any of the oral coaching centres as may be recognized by the council from time to time may be allowed to appear for one group of an examination if he is registered as a student at least for a period of four calendar months prior to the month in which the examination commences, that is to say, if an examination commences in December, such candidate registered as a student upto and including July of that calendar year shall be eligible.]

27 Inserted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India Extraordinary, dated 30.12.1985.

(1) A candidate once issued an Admission Certificate for an examination shall not be entitled under any circumstances to refund of the examination fees paid by him.

(2) Where, however, a candidate applies to the Council within fifteen days from the last date of examination for considering appropriation of examination fee to the next examination on the ground that he was prevented from attending the examination on account of circumstances beyond his control, and furnishes requisite documentary proof and information to the satisfaction of the Council, the Council may permit fifty per cent of the examination fees paid by him to be appropriated towards the fee payable for the next following examination ²⁸[for the same group(s) for which he was enrolled.]

35. Change of examination center

Applications for change of examination centres shall not ordinarily be entertained and if entertained a fee as may be determined by the Council from time to time be charged for the purpose.

Provided that no application received within fifteen days before the date of commencement of an examination shall be entertained by the Council.

36. Rail concession

Students eligible for rail concession as allowed by the Railway authorities shall apply with necessary particulars to the Secretary at least thirty days before the commencement of an examination for obtaining the requisite certificates.

²⁹37. Admission to Foundation Examination

(1) No. candidate shall be admitted to the Foundation Examination unless:

- (a) he has enrolled himself for undergoing postal or oral tuition for the Foundation Course at least eight

²⁸ Inserted *ibid.*

²⁹ Regulations 37 to 39 substituted by Company Secretaries (Amendment) Regulations, 1993. Notification No. 710/1/(M)/18, Government of India Extraordinary Part III, Section 4, dated 20th August and 24th November, 1993.

calendar months prior to the month in which the examination commences, that is to say, if an examination commences in December, the candidate enrolled for undergoing postal or oral coaching upto and including March of that calendar year shall be eligible;

- (b) he produces a certificate from the head of the coaching administration (by whatever name designated) to the effect that he has undergone satisfactorily a course of postal or oral tuition for the Foundation Examination; and
- (c) he applies with such examination fees as may be determined by the Council from time to time to reach the Secretary in accordance with the directions given by the Council.

(2) No candidate shall be enrolled for undergoing coaching for the foundation Course unless he has passed the Senior Secondary Examination conducted by an examining body constituted by law in India or an examination recognized by the Central Government as equivalent thereto.

(3) Notwithstanding anything contained in sub-regulation (2), a person who has appeared or enrolled himself for appearing in the Senior Secondary Examination or an examination recognized by the Central Government as equivalent thereto may be provisionally enrolled for undergoing coaching for the Foundation Course.

Provided that the provisional enrollment for undergoing coaching for the Foundation Course shall be confirmed, after satisfactory proof of having passed the aforesaid examination has been furnished by him to the Secretary within a period of six months from the date of provisional enrollment:

Provided further that if such a person fails to produce such proof within the aforesaid period, his provisional enrollment shall be cancelled and no tuition or any other fee paid by him shall be refunded and no credit shall be given for the coaching undergone by him.

(4) Before enrolment for the Foundation Course, a candidate shall pay such fee, as may be determined by the Council from time to time.

³⁰[(5) Every person applying for enrolment for Foundation Course shall be enrolled in accordance with these regulations for a period of three years from the month in which his application complete in all respects is accepted by the Secretary for enrolment.]

38. Exemption from Foundation Examination

A candidate possessing any of the following qualifications or any other qualifications recognized by the Council with the approval of the Central Government as equivalent thereto, shall be exempted from passing the Foundation Examination on payment of such exemption fee as may be determined by the Council from time to time and on acceptance of his application for exemption by the Secretary:

- (i) A degree or master's degree in Corporate Secretaryship or Commerce; or
- ³¹[(ii) Pass in the Foundation Examination of the Institute of Cost and Works Accountants of India or Common Proficiency Test (CPT) of the Institute of Chartered Accountants of India or any other Institution in India or abroad recognized as equivalent thereto by the Council; or]
- (iii) A degree or master's degree in any discipline other than Fine Arts:

³²[Provided that a candidate who is seeking

³⁰ Inserted by the Company Secretaries (Amendment) Regulations, 1996, Notification No. 710/1/(M)/20, published in the Gazette of India, Extraordinary, dated 28.11.96.

³¹ Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

³² Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

exemption from the Foundation Examination under clause (iii) above before becoming eligible for undergoing coaching for the Executive Programme or such other equivalent programme or course as may be prescribed by the Institute of Company Secretaries of India from time to time may be required to produce a certificate from the head of the coaching administration (by whatever name designated) to the effect that he has undergone satisfactorily a course of postal or oral tuition (inclusive of electronic mode) for those subject of the Foundation Examination which he had not studied at the graduate or post graduate level.]

39. Course contents of Foundation Examination*

³³[(1) *Subjects*: Candidates enrolled from a date prior to the First October, 2001 for Foundation Examination held upto and inclusive of December, 2003 shall be examined in the following subjects, namely:-

- (i) Business Communication ;
- (ii) Business Laws and Management;
- (iii) Principles of Accountancy; and
- (iv) Economics and Statistics.]

(2) *Syllabus*: The syllabus for the Foundation Examination shall be as specified in Part I of Schedule CCA.

(3) *Qualifying Marks*: A candidate shall be declared to have passed in the Foundation Examination if he obtains at one sitting a minimum of forty per cent marks in each subject

33 Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following: [(1) Subject: Candidates for the Foundation Examination shall be examined in the following subjects, namely:-

- (i) Business Communication;
- (ii) Business Laws and Management
- (iii) Principles of Accountancy; and
- (iv) Economics and Statistics.]

and fifty per cent marks in the aggregate of all subjects.

Provided that a candidate who has appeared in all the subjects for which he was enrolled and has obtained sixty per cent marks or above in any subject, but failed shall be declared to have passed in the subsequent examination if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subjects at one sitting within the next three following examinations.

³⁴[(4) Sub-regulations (1), (2) and (3) and the syllabus prescribed thereunder in Part I of Schedule CCA shall cease to operate after the examination held in December, 2003.]

³⁵["**39A. Course contents of Foundation Examination***

(1) *Subjects:* The first examination with papers and syllabus referred to in sub-regulation (2) shall be held in December, 2002. Candidates enrolled from or after the first October, 2001, candidates enrolled prior to the First October, 2001, who may so opt, and all candidates for the Foundation Examination which is held from and including June, 2004 shall be examined in the following subjects, namely:

1. English and Business Communication;
2. Basic Economics and Business Environment;
3. Financial Accounting;
4. Elements of Business Laws and Management; and
5. Information Systems and Quantitative Techniques.

³⁶[(2) *Syllabus:* The syllabus for the Foundation Examination shall be such as may be approved by the Council from time to

³⁴ Inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI.710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

³⁵ Inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI.710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

* In the process of amendment.

³⁶ Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

time.]

Examination shall be as specified in Part I of Schedule CCB.

(3) *Qualifying Marks:* A candidate shall be declared to have passed in the Foundation Examination if he obtains at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all subjects.

Provided that a candidate who has appeared in all the subjects for which he was enrolled and has obtained sixty per cent marks or above in any subject, but failed, shall be declared to have passed in the subsequent examination, if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subjects at one sitting within the next three following examinations”.]

³⁷[40. Admission to Executive Programme Examination

³⁷ Substituted by the Company Secretaries (Amendment) Regulations, 2014, Notification No. 710/1(M)/1, published in the Gazette of India, Extraordinary, Part III–Section 4 dated 1st April, 2014 for the following:
[Admission to Intermediate Examination or Executive Programme Examination

No candidate shall be admitted to the Intermediate Examination or Executive Programme Examination unless he:-

(a) is a registered student and produces a certificate from the head of the coaching administration (by whatever name designated) to the effect that he has undergone satisfactorily a course of postal or oral tuition for the Intermediate Examination or Executive Programme Examination ;

(b) has successfully completed computer training programme as may be specified from time to time by the Council and in the manner so specified or exempted therefrom; and

(bb) a student registered for Executive Program on or after the 1st September, 2009 shall successfully complete within a period of six months of his registration Student Induction Program for seven days in such manner as may be provided by the Council from time to time or may be exempted there from.

(c) applies with such examination fees as may be determined by the Council from time to time so as to reach the Secretary, in accordance with the directions given by the Council]

effect that he has undergone satisfactorily a course of postal or oral tuition for the Intermediate examination and applies with such examination fees as may be determined by the Council from time to time so as to reach Secretary, in accordance with the directions given by the Council.]

No candidate shall be admitted to the Executive Programme Examination unless he is a registered student and applies with such examination fees as may be determined by the Council from time to time, in accordance with the directions given by the Council.]

41. Course contents of Intermediate Examination or Executive Programme Examination*

³⁸[(1) *Subjects*

Students registered effective from a date prior to 1st February, 1986 who are candidates for the Intermediate Examination or Executive Programme Examination held upto and inclusive of June 1989, shall be examined in six subjects comprised in two groups of three papers each as under:

GROUP I

- (1) Company Accounts;
- (2) Principles of Law;
- (3) Company Law.

GROUP II

- (4) Business Communication;

* In the process of amendment.

Continued from the previous page footnote.

³⁸ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2(M)(1) , published in the Gazette of India, extraordinary, dated 30.12.85 (effective from 1.2.1986) for the following:

(1) *Subjects*

Candidates for the Intermediate examination shall be examined in six subjects comprised in two groups of three papers each as under:

Group I

- 1. Company Accounts
- 2. Principles of Law
- 3. Company Law

Group II

- 4. Business Communication
- 5. Principles and Practice of Management
- 6. Company Administration and Meetings.

- (5) Principles and Practices of Management;
 (6) Company Administration and Meetings.]

(2) *Syllabus*

The syllabus for the Intermediate Examination or Executive Programme Examination shall be as specified in Part II of Schedule C.

³⁹[(3) *Qualifying marks*

(a) A candidate shall be declared to have passed in both groups of the Intermediate Examination or Executive Programme Examination if taken simultaneously without obtaining any exemption and if he secures at one sitting, a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all subject of both groups.

(b) A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Intermediate Examination or Executive Programme Examination on passing both the groups:

Provided that a candidate who has appeared in all the subjects of the group for which he was enrolled and has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed

³⁹ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India, Extraordinary, dated 30.12.85 (effective from 1.2.1986) for the following:

[(3) *Qualifying marks*

A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent in each subject and fifty per cent in the aggregate of all the subjects of that group and shall be declared to have completed the intermediate examination on passing both the groups.

Provided that a candidate who has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed in that group if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination.]

in that group if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination.]

(4) Distinction

A candidate shall be declared to have passed with distinction in the Intermediate Examination or Executive Programme Examination if he obtains at one sitting a minimum of sixty per cent marks in each subject and seventy per cent marks or above in the aggregate in both the groups, without obtaining any exemption.

⁴⁰[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part II of Schedule C shall cease to operate after the examination held in June, 1989.]

41[41A. Course contents of Intermediate Examination or Executive Programme Examination*

(1) Subjects

The first examination with groups, papers and syllabus referred to in sub-regulation (2) shall be held in December 1986. Students registered effective from or after the first February, 1986, students registered prior to first February, 1986, who may so opt, and all students who are candidates for the Intermediate Examination or Executive Programme Examination held from the including December, 1986, shall be examined in eight subjects comprised in two groups of four papers each as under:

GROUP I

(1) General Laws and Procedures; (2) Industrial Laws and Practice; (3) Tax Laws; (4) Economic and Other Legislation.

GROUP II

⁴⁰ Inserted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2(M)(1), published in the Gazette of India, Extraordinary dated 30.12.85 (effective from 1.2.86).

⁴¹ Inserted *ibid*.

* In the process of amendment.

(5) Company Law and Practice-I; (6) Company Law and Practice-II; (7) Company Occupants - Treatment and Procedures; (8) Coast and Management Accounting.

(2) *Syllabus*

The Syllabus for the Intermediate Examination or Executive Programme Examination shall be as specified in Part II of Schedule CC.

(3) *Qualifying marks*

(a) A candidate shall be declared to have passed in both groups of the Intermediate Examination or Executive Programme Examination if taken simultaneously without obtaining any exemption and if he secures at one sitting, a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all subject of both group.

(b) A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject, and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed that Intermediate Examination or Executive Programme Examination on passing both the groups:

⁴²[Provided that a candidate who has appeared in the subjects of a group for which he was required to enroll and has secured sixty per cent or more marks in any subject(s) and a minimum of twenty-five per cent marks in each of the remaining subject(s) of the group but has failed in the group shall be exempted from that or those subject(s) in which he secured sixty per cent or more marks, in any subsequent examination(s) on submission of an application in this behalf on or before the last date

42 Substituted, *supra* note 3, for the following:

[Provided that a candidate who has appeared in all the subjects of the group for which he was enrolled and has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed in that group if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination]

of enrolment for the examination in which he intends to appear.

Provided further that notwithstanding anything contained above, a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group but got a minimum of sixty per cent of the total marks of the remaining subjects of the group shall be declared to have passed in that group if he re-appears in that paper and gets forty per cent marks in anyone or more of the immediately next three following examinations.

Explanation: For the purposes of the first proviso, the marks obtained by a candidate in the subject(s) in which he had obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account for computing his result for the remaining subject(s) of the group for any of the subsequent examination(s).

(4) Distinction

A candidate shall be declared to have passed with distinction in the Intermediate Examination or Executive Programme Examination if he obtains at one sitting a minimum of sixty per cent marks in each subject and seventy per cent marks or above in the aggregate in both the group, without obtaining any exemption.

⁴³[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part II of Schedule CC shall cease to operate, after the examination to be held in December 1993.]

41AA. Course contents of Intermediate Examination or Executive Programme Examination*

⁴⁴[(1) *Subjects:*

⁴³ Inserted by Company Secretaries (Amendment) Regulations, 1993. Notification No. 710/1/(M)/1/18, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 20th August, 1993 and 24th November, 1993

* In the process of amendment.

⁴⁴ Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of

Candidates whose registration is effective from a date prior to the First September, 2001 and who are candidates for the Intermediate Examination or Executive Programme Examination held upto and inclusive of December, 2003 shall be examined in eight subject comprised in two group of four papers each as under:

GROUP I

- (1) General Laws and Procedures;
- (2) Personnel Management and Industrial Laws;
- (3) Tax Laws; and
- (4) Cost and Management Accounting.

GROUP II

- (5) Company Law and Practice-I;
- (6) Company Law and Practice-II;
- (7) Economic and Other Legislation; and
- (8) Company Accounts – Theory and Practice.]

(2) *Syllabus:*

The syllabus for the Intermediate Examination or Executive Programme Examination shall be as specified in

India, Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

[(1) *Subjects:*

Candidate for the intermediate examination to be held in June, 1994 and thereafter shall be examined in eight subjects comprised in two groups of four papers each as under:

GROUP I

- (1) General Laws and Procedures;
- (2) Personnel Management and Industrial Laws;
- (3) Tax Laws;
- (4) Cost and Management Accounting.

GROUP II

- (5) Company Law and Practice-I;
- (6) Company Law and Practice-II;
- (7) Economic and Other Legislations;
- (8) Company Accounts – Theory and Practice.]

Part-II of Schedule CCA.

(3) *Qualifying Marks:*

(a) *For both groups:* A candidate shall be declared to have passed in both groups of the Intermediate Examination or Executive Programme Examination:

- (i) If taken simultaneously and if he secures at one sitting a minimum of forty per cent marks in each of the papers in which he is required to appear and fifty per cent marks in the aggregate of all the papers put together; or
- (ii) If he has passed in any one group of Intermediate Examination or Executive Programme Examination held under the syllabus specified in Part-II of Schedule CC, prior to the commencement of examination under the syllabus specified in Part-II of Schedule CCA and secures at one sitting a minimum of forty per cent marks in each of the remaining papers in which he is required to appear and fifty per cent marks in the aggregate of all such remaining papers put together.

(b) *For one group:* A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Intermediate Examination or Executive Programme Examination on passing both the groups:

Provided that a candidate who has appeared in the subjects of a group, for which he was required to enroll and has secured sixty per cent or more marks in any subject and a minimum of twenty five per cent marks in each of the remaining subjects of the group but has failed in the group, shall be exempted from that or those subjects in which he secured sixty per cent or more marks, in any subsequent examination on submission of an application in this behalf on or before the last date of enrollment for the examination in which he intends to appear;

Provided further that if a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group, but got a minimum of sixty per cent of the total marks of the remaining subjects of the group shall be declared to have passed in that group if he reappears in the paper in which he had failed and gets fifty per cent marks in any subsequent examination.

Explanation: For the purpose of the first proviso, the marks obtained by a candidate in the subject in which he had obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account of computing his result for the remaining subjects of the group for any of the subsequent examination.

(4) Distinction:

A candidate shall be declared to have passed with distinction in the Intermediate Examination or Executive Programme Examination if he obtains at one sitting a minimum of fifty per cent marks in each subject and seventy per cent marks or above in the aggregate in both the groups, without obtaining any exemption.

⁴⁵[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part II of Schedule CCA shall cease to operate after the examination held in December, 2003.]

⁴⁶[41B. Course contents of Intermediate Examination or Executive Programme Examination

(1) Subjects:

The first examination with groups, papers and syllabus referred to in sub-regulation (2) shall be held in December, 2002. Candidates registered effective from or after the First September, 2001, candidates registered prior to the First

45 Inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

46 Inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

September, 2001, who may so opt and all students who are candidates for the Intermediate Examination or Executive Programme Examination held from and including June, 2004 shall be examined in eight subjects comprised in two groups of four papers each as under:

GROUP I

1. General and Commercial Laws;
2. Company Accounts and Cost & Management Accounting;
3. Tax Laws; and
4. Management Information Systems and Corporate Communication.

GROUP II

5. Company Law;
6. Company Secretarial Practice;
7. Economic, Labour and Industrial Laws; and
8. Securities Laws and Regulation of Financial Markets.

(2) Syllabus:

⁴⁷[The Syllabus for the Executive Programme Examination shall be such as may be approved by the Council from time to time.]

(3) Qualifying Marks:

(a) *For both groups:* A candidate shall be declared to have passed in both groups of the Intermediate Examination or Executive Programme Examination:

- (i) If taken simultaneously and if he secures at one sitting, a minimum of forty per cent marks in each of the papers in which he is required to appear and fifty per cent marks in the aggregate of all the papers put together; or
- (ii) If he has passed in any one group of Intermediate Examination or Executive Programme Examination

⁴⁷ Inserted by the Company Secretaries (Amendment) Regulation, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012

held under the syllabus specified in Part-II of Schedule CCA, prior to the commencement of examination under the syllabus specified in Part-II of Schedule CCB and secures at one sitting a minimum of forty per cent marks in each of the remaining papers in which he is required to appear and fifty per cent marks in the aggregate of all such remaining papers put together.

(b) *For one group:* A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Intermediate Examination or Executive Programme Examination on passing both the group:

Provided that a candidate who has appeared in the subjects of a group, for which he was required to enroll and has secured sixty per cent or more marks in any subject and a minimum of twenty five per cent marks in each of the remaining subjects of the group but has failed in the group, shall be exempted from that or those subjects in which he secured sixty per cent or more marks, in any subsequent examination on submission of an application in this behalf on or before the last date of enrolment for the examination in which he intends to appear;

Provided further that if a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group, but got a minimum of sixty per cent of the total marks of the remaining subjects of the group shall be declared to have passed in that group if he reappears in the paper in which he had failed and gets fifty per cent marks in any subsequent examination.

Explanation: For the purpose of the first proviso, the marks obtained by a candidate in the subject in which he had obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account for

computing his result for the remaining subjects of the group for any of the subsequent examination.

(4) *Distinction:*

A candidate shall be declared to have passed with distinction in the Intermediate Examination or Executive Programme Examination if he obtains at one sitting a minimum of fifty per cent marks in each subject and seventy per cent marks or above in the aggregate in both the groups, without obtaining any exemption.]

42. Exemption

(1) [...omitted]⁴⁸

(2) [...omitted]⁴⁹

⁵⁰[(3) The Council shall have the power to decide from time to time the individual subject(s) [or group(s)]⁵¹ of the Intermediate Examination or Executive Programme Examination from which exemption may be granted to students who have passed such examination of any university or on reciprocal basis of such professional institutes/bodies in India or abroad, as may be recognized by the Council in this behalf and on payment of such exemption fee as may be determined by the Council from time to time.

(4) The Council shall also have the power to decide the corresponding individual subject(s)/group(s) of the Intermediate Examination or Executive Programme Examination from which a candidate who is admitted as a *de novo* registered student under Regulation 22 shall be exempted on the basis of exemption from individual subject(s)/group(s) previously secured by him under his

48 Omitted vide Company Secretaries (Amendment) Regulation, 1993.

49 *ibid.*

50 Inserted, supra note 15 (effective from 1.2.1986).

51 The following was inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001: [(or Groups)]

former registration and on payment of such exemption fee as may be determined by the Council from time to time, if applicable.

(5) The Council shall also have the power to decide the individual subject(s)/group(s) of the Intermediate Examination or Executive Programme Examination from which a candidate shall be exempted on the basis of exemption from individual subject(s)/group(s) previously secured by him under the syllabus specified in part II of Schedule C or in Part II of Schedule CC or in Part II of Schedule CCA on his switch over to the syllabus specified in Part II of Schedule CCB”.

(6) Omitted⁵²

(7) Omitted^{53]}

43. Admission to Final examination or Professional Programme examination

No candidate shall be admitted to the Final Examination or Professional Programme Examination unless:

- (a) he is a registered student of the Institute;
- (b) he has passed the Intermediate Examination or Executive Programme Examination or has been exempted therefrom;
- (c) a minimum period of nine calendar months has elapsed since his passing the Intermediate Examination or Executive Programme Examination or being exempted from the Intermediate Examination or Executive Programme Examination and registration as a student.
- (d) he is certified to have undergone satisfactorily a course of postal or oral tuition for the particular group of Final Examination or Professional Programme Examination by the head of coaching administration; and
- (e) ⁵⁴[Omitted]

52 Omitted vide Company Secretaries (Amendment) Regulations, 1993.

53 *Ibid.*

- (f) he applies with such examination fee as may be determined by the Council from time to time so as to reach the Secretary in accordance with the directions given by the Council.

⁵⁵proviso [Omitted].

44. Course contents of Final examination or Professional Programme examination

⁵⁶[(1) *Subjects*]

Students registered effective from a date prior to 1st February, 1986 who have passed the Intermediate Examination or Executive Programme Examination held upto and including June, 1989 under the syllabus specified in Part II of Schedule C and are candidates for the Final Examination or Professional Programme Examination held upto and

54 Omitted by Company Secretaries (Amendment) Regulations, 1985 w.e.f. 1.2.1986.

55 The following proviso was omitted by the Company Secretaries (Amendment) Regulations, 2001 w.e.f. 10th August, 2001:
[Provided that a student may be allowed to appear in one group of the Final Examination or Professional Programme Examination, if he fulfils the requirements specified in clauses (a), (b), (d) and (f)]

56 Substituted *ibid* for the following:
[(1) *Subjects*:
Candidates for the Final Examination shall be examined in nine subjects comprised in three groups of three papers each as under:
Group I
(1) Financial Accounting, Costing and Manager Accounting;
(2) Management Economics;
(3) Functional Management.
Group II
(4) Industrial and Labour Laws;
(5) Economic Legislation;
(6) Taxation.
Group III
(7) Company Law;
(8) Company Secretarial Practice;
(9) Secretarial Practice (relating to Industrial, Labour, Economic and Tax Laws).]

inclusive of December, 1990 shall be examined in nine subjects comprised in three groups of three subjects, each as under:

GROUP I

- (1) Final Accounting, Costing and Management Accounting;
- (2) Managerial Economics;
- (3) Functional Management.

GROUP II

- (4) Industrial and Labour Laws;
- (5) Economic Legislation;
- (6) Taxation.

GROUP III

- (7) Company Law;
- (8) Company Secretarial Practice;
- (9) Secretarial Practice (relating to Industrial, Labour, Economic and Tax Laws)].

(2) Syllabus

The syllabus for the Final Examination or Professional Programme Examination shall be as specified in Part II of Schedule C.

⁵⁷[Qualifying marks

⁵⁷ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India, Extraordinary, dated 30.12.85 (effective from 1.2.1986) for the following:

[3] Qualifying marks

A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Final examination on passing all the three groups: Provided that a candidate who has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed in that group if he obtains a minimum of forty per cent marks in each remaining subjects and fifty per cent marks in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination.]

(a) A candidate shall be declared to have passed in all the three groups of the Final Examination or Professional Programme Examination if taken simultaneously without obtaining any exemption. If he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of all the three groups taken together.

(b) A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Final Examination or Professional Programme Examination on passing all the three groups:

Provided that a candidate who has appeared in all the subjects of the group for which he was enrolled and has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed in that group if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination.]

(4) Distinction

A candidate shall be declared to have passed with distinction in the Final Examination or Professional Programme Examination if he obtains at one sitting a minimum of sixty per cent marks in each subject and seventy per cent marks or above in the aggregate in all the groups, without obtaining any exemption.

⁵⁸[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part III of Schedule C shall cease to operate after the examination held in December 1990.]

⁵⁹[44A Course contents of Final examination or

58 Inserted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India, Extraordinary, dated 30.12.1985 (effective from 1.2.86)

59 Inserted *ibid*.

Professional Programme examination*(1) Subjects*

The first examination with groups, papers and syllabus referred to in sub-regulation (2) shall be held in June 1987. Students who register effective from or after the 1st February, 1986, students who pass the Intermediate Examination or Executive Programme Examination under the syllabus specified in Part II of Schedule CC, students who pass the Intermediate Examination or Executive Programme Examination under the syllabus specified in Part II of Schedule C who may so opt and all students appearing at the Intermediate Examination or Executive Programme Examination held from and including June 1991 shall be examined under this regulation. The Groups and subjects for the Final Examination or Professional Programme Examination under this Regulation shall be as under:

GROUP I

(1) Financial Management; (2) Corporate Planning and Management Information; (3) Management Control and Audit.

GROUP II

(4) Corporate Tax Management and Planning; (5) Indirect Taxation-Law and Procedures; (6) Drafting and Coveyancing.

GROUP III

(7) Company Law and Practice; (8) Directors, Boards and related Secretarial Practice; (9) Advanced Secretarial Practice (relating to Economic and other Legislations).

(2) Syllabus

The syllabus for the Final Examination or Professional Programme Examination shall be as specified in part III of Schedule CC.

(3) Qualifying marks

- (a) A candidate shall be declared to have passed in all the three groups of the Final Examination or Professional Programme Examination if taken simultaneously without obtaining any exemption and

if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of all the three groups taken together.

- (b) A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Final Examination or Professional Programme Examination on passing all the three groups:

⁶⁰[Provided that a candidate who has appeared in the subjects of a group for which he required to enroll and has secured sixty per cent or more marks in any subject(s) and a minimum of twenty-five per cent marks in each of the remaining subject(s) of the group but has failed in the group, in any subsequent examination(s) on submission of an application in this behalf on or before the last date of enrolment for the examination in which he intends to appear:

Provided further that notwithstanding anything contained above, a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group but got a minimum of sixty per cent of the total marks of the remaining subjects of the group shall be declared to have passed in that group if he re-appears in that paper and gets forty per cent marks in anyone or more of the immediately next three following examination.

⁶⁰ Substituted *supra* note 3, for the following:

[Provided that a candidate who has appeared in all the subjects of the group for which he was enrolled and has secured sixty per cent or more marks in any subject(s) but failed in that group shall be declared to have passed in that group if he obtains a minimum of forty per cent marks in each remaining subject and fifty per cent marks in the aggregate of the remaining subject(s) of that group at one sitting in any subsequent examination.]

Explanation: For the purposes of the first proviso, the marks obtained by a candidate in the subject(s) in which he had obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account for computing his result for the remaining subject(s) of the group for any of the subsequent examinations(s).]

(4) Distinction

A candidate shall be declared to have passed with distinction in the Final Examination or Professional Programme Examination if he obtains at one sitting a minimum of sixty per cent marks in each subject and seventy per cent marks or above in the aggregate in all the groups, without obtaining any exemption.]

⁶¹[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part III of Schedule CC shall cease to operate after the examination to be held in December 1993.]

⁶²[44AA Course contents of Final examination or

⁶¹ Inserted vide Company Secretaries (Amendment) Regulations, 1993. Notification No. 710(1)/(M)/1/18, Government of India Extraordinary Part III, Section 4, dated 20th August, 1993 and 24th November, 1993.

⁶² Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

(1) Subjects:

Candidate for the Final Examination to be held in June 1994 and thereafter shall be examined in eight subjects comprised in two groups of four papers each as under:

GROUP I

- (1) Financial Management;
- (2) Management Control and Information;
- (3) Corporate Tax Management – Direct Taxes;
- (4) Corporate Tax Management – Indirect Taxes.

GROUP II

- (5) Corporate Laws and Practice-I;
- (6) Corporate Laws and Practice-II;
- (7) Corporate Laws and Practice-III;
- (8) Secretarial and Management Audit.

Professional Programme examination*(1) Subjects:*

Candidates whose registration is effective from a date prior to the First September, 2001 and who have passed the Intermediate Examination or Executive Programme Examination held upto and including December, 2003 under the syllabus specified in Part II of Schedule CCA and are candidates for the Final Examination or Professional Programme Examination held upto and inclusive of June, 2005 shall be examined in eight subjects comprised in two groups of four papers each as under:

GROUP I

- (1) Financial Management;
- (2) Management Control and Information;
- (3) Corporate Tax Management – Direct Taxes; and
- (4) Corporate Tax Management – Indirect Taxes.

GROUP II

- (5) Corporate Laws and Practice-I;
- (6) Corporate Laws and Practice-II;
- (7) Corporate Laws and Practice-III; and
- (8) Secretarial and Management Audit.]

(2) Syllabus:

The syllabus for the Final Examination or Professional Programme Examination shall be as specified in Part III of Schedule CCA.

(3) Qualifying Marks:

(a) *For both groups*—A candidate shall be declared to have passed in both the groups of the Final examination:

- (i) If taken simultaneously and if he secures at one sitting a minimum of forty per cent marks in each of the papers in which he is required to appear and fifty per cent marks in the aggregate of all the papers put

together; or

- (ii) If he has passed in any one or two but not in all groups of Final Examination or Professional Programme Examination held under the syllabus specified in Part III of Schedule CC prior to the commencement of examination under the syllabus specified in Part III of Schedule CCA and secures at one sitting a minimum of forty per cent marks in each of the remaining papers in which he is required to appear and fifty per cent marks in the aggregate of all such remaining papers put together.

(b) *For one group*—A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Final Examination or Professional Programme Examination in passing both the groups:

Provided that a candidate who has appeared in the subject of a group for which he required to enroll and has secured sixty per cent or more marks in any subject and a minimum of twenty five per cent marks in each of the remaining subjects of the group but has failed in the group, shall be exempted from that or those subjects in which he secured sixty per cent or more marks, in any subsequent examination on submission of an application in this behalf on or before the last enrolment for the examination in which he intends to appear:

Provided further that if a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group, but got a minimum of sixty per cent of the total marks of the remaining subjects of the group shall be declared to have passed in that group if he re-appears in the paper in which he had failed and gets fifty per cent marks in any subsequent examination.

Explanation—For the purpose of the first proviso, the marks obtained by a candidate in the subject in which he had

obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account for computing his result for remaining subjects of the group for any of the subsequent examination.

(4) Distinction:

A candidate shall be declared to have passed with distinction in the Final Examination or Professional Programme Examination if he obtains at one sitting a minimum of fifty per cent marks in each subject and seventy per cent or above in the aggregate in both the groups, without Final Examination or Professional Programme Examination obtaining any exemption.

⁶³[(5) Sub-regulations (1) to (4) and the syllabus prescribed thereunder in Part III of Schedule CCA shall cease to operate after the examinations are held in June, 2005.]

⁶⁴[44B. Course contents of Final examination or Professional Programme examination

(1) Subjects:

The first examination with groups, papers and syllabus referred to in sub-regulation (2) shall be held in December, 2003. Candidates whose registration shall be effective on or after the First September, 2001, students who has passed the Intermediate Examination or Executive Programme Examination under the syllabus specified in Part II of Schedule CCB, students who has passed the Intermediate Examination or Executive Programme Examination under the syllabus specified in part II of Schedule CCA, who may so opt, and all students appearing in the Final Examination/Professional Programme Examination held from and including December, 2005 shall be examined in nine subjects comprised in three groups of three papers each as under:

63 Inserted by the Company Secretaries (Amendment) Regulation, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

64 Inserted by the Company Secretaries (Amendment) Regulation, 2001, Notification No. ICSI/710.2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001.

GROUP I

1. Advanced Company Law and Practice;
2. Secretarial Practice relating to Economic Laws and Drafting & Conveyancing; and
3. Secretarial, Management and Systems Audit.

GROUP II

4. Financial, Treasury and Forex Management;
5. Corporate Restructuring – Law and Practice; and
6. Banking and Insurance – Law and Practice.

GROUP III

7. World Trade Organisation – International Trade, Joint Ventures and Foreign Collaborations;
8. Direct and Indirect Taxation – Law and Practice; and
9. Human Resource Management and Industrial Relations.

(2) *Syllabus:*

⁶⁵[The syllabus for the Professional Programme Examination shall be such as may be approved by the Council from time to time.]

(3) *Qualifying Marks:*

(a) *For all groups:* A student shall be declared to have passed in all the groups of the Final examination:

- (i) If taken simultaneously and if he secures at one sitting, a minimum of forty per cent marks in each of the papers in which he is required to appear and fifty per cent marks in the aggregate of all the papers put together; or
- (ii) If he has passed in any one group of the Final Examination or Professional Programme Examination held under the syllabus specified in Part-III of Schedule CCA, prior to the commencement

⁶⁵ Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

of examination under the syllabus specified in Part-III of Schedule CCB and secures at one sitting a minimum of forty per cent marks in each of the remaining papers in which he is required to appear and fifty per cent marks in the aggregate of all such remaining papers put together.

(b) *For one group:* A candidate shall be declared to have passed in a group if he secures at one sitting a minimum of forty per cent marks in each subject and fifty per cent marks in the aggregate of all the subjects of that group and shall be declared to have completed the Final Examination or Professional Programme Examination on passing all the groups:

Provided that a candidate who has appeared in the subjects of a group, for which he was required to enroll and has secured sixty per cent or more marks in any subject and a minimum of twenty five percent marks in each of the remaining subjects of the group but has failed in the group, shall be exempted from that or those subjects in which he secured sixty per cent or more marks, in any subsequent examination on submission of an application in this behalf on or before the last date of enrolment for the examination in which he intends to appear.

Provided further that if a candidate who has appeared in all the subjects of the group for which he was enrolled without obtaining any exemption and has failed in one paper comprised in the group, but got a minimum of sixty per cent of the total marks of the remaining subject of the group shall be declared to have passed in that group if he reappears in the paper in which he had failed and gets fifty per cent, marks in any subsequent examination.

Explanation—For the purpose of the first proviso, the marks obtained by a candidate in the subject in which he had obtained exemption on the basis of having secured sixty per cent or more marks shall not be taken into account for computing his result for the remaining subjects of the group for any of the subsequent examination.

(4) Distinction:

A candidate shall be declared to have passed with distinction in the Final Examination or Professional Programme Examination if he obtains at one sitting a minimum of fifty per cent marks in each subject and seventy per cent marks or above in the aggregate in all groups, without obtaining any exemption.]

⁶⁶[45. Exemption from subjects of Final examination or Professional Programme Examination.

(1) The Council shall have the power to decide from time to time the individual subject(s)⁶⁷ or group (s) of the Final Examination or Professional Programme Examination or Professional Programme Examination from which exemption may be granted to students who have passed such examinations of such professional institutes/bodies in India or abroad as may be recognized by the Council in this behalf on reciprocal basis and on payment of such exemption fee as may be determined by the Council from time to time.

(2) The Council shall also have the power to decide the

⁶⁶ Substituted by the Company Secretaries (Amendment) Regulation 1985, Notification No. 710:2:(M)(1), published in the Gazette of India Extraordinary, dated 30.12.85 (effective from 1.2.86) for the following:

[45: Exemption from papers of Final examination.

A candidate who has passed the Final examination of the Institute of Chartered Accountants of India or the Institute of Cost and Works Accountants of India and registered as student may be exempted from such subjects of the Final examination which substantially cover the course contents of the corresponding subject of that Institute as determined by the Council from time to time in accordance with the reciprocal arrangements as may be entered into with the Council of the respective Institute on or after commencement of these regulations and on payment of such exemption fee as may be determined by the Council from time to time.

Provided that the exemption available to such a candidate registered under the earlier regulations may be allowed by the Council for a maximum period of two years from the date of commencement of these regulations.]

⁶⁷ The following was inserted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of [or Group(s)].

corresponding individual subject(s)/group(s) of the Final Examination or Professional Programme Examination from which a candidate who is admitted as a *de novo* registered student under Regulation 22 shall be exempted on the basis of exemption from individual subject(s)/ group(s) previously secured by him under his former registration and on payment of such exemption fee as may be determined by the Council from time to time, if applicable.

(3) The Council shall have the power to decide the individual subject(s)/group(s) of the Final Examination or Professional Programme Examination from which a candidate shall be exempted on the basis of exemption from individual subject(s) previously secured by him under the syllabus specified ⁶⁸[in Part III of Schedule C or in Part III of Schedule CC or in Part III of Schedule CCA] on his switch over to the syllabus specified in Part III of Schedule CCB.]

46. Examination results

(1) Individual intimation

Every candidate shall be individually informed of the marks obtained in each paper and the result thereof but under no circumstances the marks obtained in individual questions or sections of a paper shall be furnished.

(2) Verification of marks

Information as to whether a candidate's answers to each question in any particular subject or subjects at any examination have been examined and marked or not shall be supplied to a candidate on his submitting an application with such verification fee as may be determined by the Council from time to time within thirty days of the declaration of the results of the said examination.

Explanation—Fee referred to in this sub-regulation is only

⁶⁸ Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India; Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following; [In part II of Schedule C or Part III of Schedule CC on his switchover to the syllabus specified in Part III of Schedule CCA.]

for verifying whether the candidate's answers in any particular subject or subjects have been examined and valued and not for revaluation of the answers.

(3) Issue of examination certificates

Every candidate passing the Foundation examination or completing the Intermediate or Final Examination or Professional Programme Examination shall be granted a certificate to that effect in the appropriate form by the Secretary.

⁶⁹[46A. Revival of exemption in an examination

If a candidate applies for and is allowed cancellation of exemption in any subject(s) obtained by him earlier or of result of any groups of an examination passed by him earlier under any of the regulations, he shall not be eligible for revival of such exemption(s) or the benefit of having passed such group(s), as the case may be in any subsequent examination(s).]

**⁷⁰ [CHAPTER VI A
Practical Experience and Training requirements**

46AA. Applicability of this Chapter.-

The provisions of this Chapter shall apply to: -

- (a) a student registered to the Executive Programme on or after the date of publication of this notification; and
- (b) a student registered to the Executive Programme before the date of publication of this notification, if he wishes to comply with

⁶⁹ Inserted, *supra* note 3.

⁷⁰ Inserted by the Company Secretaries (Amendment) Regulations, 2014 Notification No. ICSI/710/1/M/(1) published in the Gazette of India; Extraordinary, Part III – Section 4, dated 1st April, 2014 .

the requirements of this Chapter instead of those specified in Chapter VII.

46 AB Practical Experience and Training.-

1. A student who has passed the Final Examination or Professional Programme Examination or Professional Programme examination of the Institute shall become eligible to Associate Membership of the Institute only after he has -
 - (a) undergone the practical training for a period of-
 - (i) three years on registration for Executive Programme; or
 - (ii) two years after passing the Executive Programme examination; or
 - (iii) one year after passing the Professional Programme examination;
 - on whole time basis during normal working hours-
 - (i) in a company having a paid up share capital of not less than fifty lakh rupees; or
 - (ii) in any other institution or organisation or class of institutions or organisations as may be approved by the Council from time to time; or

- (iii) under a Company Secretary in whole-time practice or in a firm of Company Secretaries;
 - (b) completed Management Skills Orientation Programme, after passing the Final Examination or Professional Programme Examination or Professional Programme examination and undergoing practical training as specified in clause (a) of sub-regulation (1) or exempted therefrom, either in class room environment or online for a period of fifteen days in such manner and of such contents as may be provided by the Council from time to time.
2. The practical training referred to in clause (a) of sub-regulation (1) may be dispensed for a student, if to the satisfaction of the Council, he has fulfilled the following experience, namely: -
- (i) (a) One year experience as an Assistant Company Secretary or Deputy Company Secretary or any other post equivalent or higher thereto in the Secretarial Department; or
 - (b) two years' experience as a Secretarial Officer or Executive or any other

- post equivalent or higher thereto; or (c) three years experience as an Assistant or any other post equivalent or higher thereto in Secretarial Department in any company or body corporate having a paid-up share capital of not less than fifty lakh rupees or turnover of not less than ten crore rupees or in any public sector undertaking, autonomous or statutory body, financial institution or bank which in the opinion of the Council provides scope for acquiring sufficient professional experience; or
- (ii) (a) Two years' experience as Secretarial Officer or Executive or any post equivalent; or (b) three years' experience as an Assistant or any other post equivalent or higher thereto under a Company Secretary in whole time practice or in a firm of Company Secretaries, which in the opinion of the Council provides scope for acquiring sufficient professional experience; or

- (iii) (a) Two years' experience of continuous practice on a whole-time basis as a Chartered Accountant or a Cost Accountant having carried out statutory or cost or internal audit or providing management consultancy services; or (b) two years experience of continuous practice as an Advocate in a high Court having rendered services as Counsel or Advisor to a Company having paid-up share capital and reserves of not less than fifty lakhs rupees or any organisation having gross fixed assets of not less than one crore rupees, or in any public sector undertaking, autonomous or statutory body, financial institute or bank which in the opinion of the Council provides scope for acquiring sufficient professional experience; or
- (iv) has acquired practical experience equivalent to those specified under sub-regulation (1) of this regulation in such professional institutions or abroad as may be

recognised by the Council in this behalf on reciprocal basis.

46AC Exceptions :-

Any person not falling in all or any respects with regard to practical experience and practical training requirements as specified in regulation 46AB but claims to have acquired practical experience and undergone practical training, equivalent to those specified under these regulations may apply for full or partial exemption from acquiring practical experience or undergoing practical training, as the case may be, and the Council may determine each case for partial or total exemption taking into account the evidence produced by such person or after interviewing him.

46AD Requirement of certificate of experience and practical training by members of the Institute:-

Every applicant claiming to have acquired the necessary practical experience and undergone the required practical training, shall be required to obtain certificate from at least two members having a standing of three years membership, as approved by the Council, certifying that in the opinion of the certifying members, the candidate is a fit and appropriate person to be admitted to the Associate Membership of the Institute.

46AE Proof of Practical experience and training:-

A candidate, who possesses the requisite practical experience and has undergone the requisite practical training or has been exempted therefrom as provided in these regulations, shall be required to produce necessary documentary proof to the satisfaction of the Council along with his application in the appropriate form for Associate Membership.

46AF Disciplinary action in connection with training including Management Skills Orientation Programme:-

In the event of any misconduct by a candidate undergoing training including management skills orientation programme, the Council or the Disciplinary Committee may *suo-moto* or on receipt of a complaint, if it is satisfied that the misconduct is proved after such investigation as it may deem necessary after giving him an opportunity of being heard, reprimand the candidate or cancel or suspend his registration as a student or suspend or debar him from appearing in any one or more examinations of the Institute or

direct that any period of training already undergone shall not be reckoned for the purpose of regulation 46AB or declare that such a candidate is not fit and appropriate person to be admitted to the Associate Membership of the Institute.

Explanation: For the purposes of this regulation, the expression “misconduct” shall include “a behaviour in a disorderly manner in relation to the Institute or in or near the place where undergoing training, breach of any regulation, condition, guideline or direction laid down by the Institute, malpractice with regard to training or resorting to or attempting to resort to unfair means in connection with the undergoing of training or seeking exemption from undergoing the training or for breach of any policies, rules and regulations for the organisation in which he is undergoing training;]

Chapter VII

71[Practical Experience and Training Requirements

47. Practical Experience and Training

⁷¹ Amended by the Company Secretaries (Amendment) Regulations, 1993, Notification No. 710/1/(M)/1/18, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 20th August, 1993 and 24th November, 1993.

A candidate who has passed the Final Examination or Professional Programme Examination of the Institute shall be required to possess the practical experience and undergo the practical training or be exempted therefrom as specified in this Chapter for becoming eligible to Associate Membership of the Institute.]

72[48. Practical Experience or Training

Every candidate registered as a student on or after the commencement of the Company Secretaries (Amendment) Regulations, 2001 (including a student registered *de novo*) and passing the Final Examination or Professional Programme Examination of the Institute and every candidate registered as a student before the commencement of the said regulations and who has not completed the training in accordance with the regulations in force within five years of date of his registration shall be required either:

(a) to possess practical experience to the satisfaction of the Council in any one of the following manners, namely:

- (i) One year's experience as an Assistant/Deputy Company Secretary or any other post higher thereto in the Secretarial Department or three years'

72 Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India; Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

[48. Practical experience or management training or apprenticeship

(1) Every candidate registered as a student (including a student registered *de novo*) and passing the Final examination of the Institute shall be required either:

Continued from previous page footnote.

(a) to possess practical experience to the satisfaction of the Council in any one of the following manners, namely:-

- (i) two years' experience as an executive or three years' experience as an assistant in the secretarial, administration, finance, accounts, personnel or legal departments in any company or body corporate having a paid-up share capital and reserves of not less than rupees twenty-five lakhs or any organization having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking,

autonomous body, financial institution or bank which in the opinion of the Council, provides scope for acquiring sufficient professional experience;

(ii) three years' experience as a lecturer in any university or college affiliated to any university, having taught at least one subject in the discipline of Law, Management or Accountancy;

(iii) three years' experience as a Gazetted Officer in the Central/State Government or in a supervisory post equivalent thereto in any autonomous or statutory body, in departments which generally deal with matters relating to working of corporate sector;

(iv) three years' experience of continuous practice on a whole-time basis as a Chartered Accountant or Cost Accountant having carried out statutory/coast/internal audit or providing management consultancy services to a company having paid-up share capital and reserves of not less than rupees twenty-five lakhs or any organization having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking, autonomous body, financial institution or bank which in the opinion of the Council, provides scope for acquiring sufficient professional experience;

(v) three years' experience of continuous practice as an Advocate in a High Court having rendered services as Counsel/Advisor to a Company having paid-up share capital and reserves of not less than rupees twenty-five lakhs or any organisation having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking, autonomous body, financial institution or bank which in the opinion of the Council provides scope for acquiring sufficient professional experience:

OR

(b) to undergo management training in the manner and areas specified by the Council for a period of fifteen months in a company having a paid-up share capital of not less than rupees fifty lakhs or any other institution or organisation as may be approved by the Council from time to time.

OR

(c) to undergo apprenticeship under a Company Secretary in whole-time practice or in a firm of such Company Secretaries as approved by the Council for a period of one year on whole-time basis working during normal working hours or two years on part-time basis working for a minimum of three hours every day for five days in a week.

(2) Any person registered as a student on or after the 16th September, 1982, and up to an including 29th December, 1985 shall be deemed to have complied with the practical experience requirement specified in the regulation if he possesses not less than one year's experience as an executive in the manner specified in sub-clause (i) of clause (a) of sub-regulation (1) within a period of three after the date of passing the Final examination or before the 30th December, 1993, whichever is

experience as a Secretarial Officer/Executive in Secretarial Department in any company or body corporate having a paid-up share capital and reserves of not less than rupees twenty-five lakhs or any organization having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking, autonomous or statutory body, financial institution or bank which in the opinion of the Council provides scope for acquiring sufficient professional experience;

- (ii) two years' experience as an executive or three years' experience as an assistant under a Company Secretary in whole-time practice or in a firm of such Company Secretaries, which in the opinion of the Council provides scope for acquiring sufficient professional experience;
- (iii) three years' experience of continuous practice on a whole-time basis as a Chartered Accountant or Cost Accountant having carried out statutory/cost/Internal audit or providing management consultancy services or three years' experience of continuous practice as an Advocate in a High Court having rendered services as Counsel/Advisor to a Company having paid-up share capital and services of not less than rupees twenty-five lakhs or any organisation having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking, autonomous or statutory body, financial institute or bank which in the opinion of the Council provides scope for acquiring sufficient professional experience;
- (iv) three years' experience as an executive or four years' experience as an assistant in the secretarial, administration, accounts, finance, personnel or legal department in any company or body corporate having a paid-up share capital and reserves of not less than rupees twenty-five lakhs or any organisation having fixed assets of not less than rupees fifty lakhs

earlier. Provided that the Council may, for reasons to be recorded in writing, further extend this upto a maximum of two years.]

including Central/State Government, any Public Sector Undertaking, autonomous or statutory body, financial institution, banking or insurance company which in the opinion of the Council provides scope for acquiring sufficient professional experience;

- (v) have acquired practical experience equivalent to those specified under clause (b) or clause (c) of this regulation in such profession Institutions in India or abroad as may be recognized by the Council in this behalf on reciprocal basis;

OR

(b) to undergo training in the manner and areas specified by the Council for a period of fifteen months in a company having a paid-up share capital of not less than rupees fifty lakhs or any other institution or organisation as may be approved by the Council from time to time;

OR

(c) to undergo training under a Company Secretary in whole-time practice or in a firm of such Company Secretaries as approved by the Council for a period of fifteen months on whole time basis working during normal working hours.]

⁷³[(d) a candidate registered for Executive Programme on or after the 1st September, 2009 and is required to undergo training under clause (b) or (c) of regulation 48, shall attend and complete successfully Executive Development Programme for eight days and attend Professional Development Programmes for twenty five hours or for such hours as may be approved by the Council from time to time or exempted therefrom.]

⁷⁴[49. Training after Intermediate Examination or

⁷³ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012

⁷⁴ Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of

Executive Programme Examination

(1) A candidate who has passed the Intermediate Examination or Executive Programme Examination of the Institute may commence his training under clause (b) or clause (c) of Regulation 48, with the approval of the Secretary if sufficient companies or Company Secretaries or firms of Company Secretaries in practice willing to accept trainees are available for the purpose.

(2) A Company Secretary or a firm of Company Secretaries in practice under whom a candidate is required to undergo training under clause (c) of Regulation 48 shall be required to be approved by the Council and shall pay a monthly stipend as may be determined by the Council from time to time.]

⁷⁵[50. Compulsory Practical Training

Every candidate passing the Final Examination or Professional Programme Examination of the Institute in addition to acquiring practical experience or undergoing training as stipulated in Regulation 48 shall be required to undergo compulsory practical training for a total period of four months as specified below:

India, Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

[Management training or apprenticeship after Intermediate examination

(1) A candidate who has passed the Intermediate examination of the Institute may commence his management training under clause (b) of Regulation 48 or apprenticeship under clause (c) thereof, with the approval of the Secretary if sufficient companies or practicing company secretaries or firms of practicing company secretaries willing to accept trainees or apprentices as the case may be, are available for the purpose.

(2) A practicing company secretary or a firm of practicing company secretaries under whom a candidate is required to undergo apprenticeship under clause (c) of Regulation 48 shall be required to be approved by the Council and shall pay a monthly stipend as may be determined by the Council from time to time.]

- 75 Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India; Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

Continued

(a) to undergo three months' training in a public limited company or body corporate having a paid-up share capital of not less than rupees twenty-five lakhs as approved by the Council from time to time in the following manner:

- (i) Secretarial Department (including Shares and Legal) – one month;
- (ii) Finance and Accounts Department (including Costing, Management Accounting, Internal Audit and Taxation) – one month;
- (iii) Administration Department (including Personnel, General Administration, Industrial, Public Relations, Marketing and Materials Management) – one month;

Provided that a candidate who has undergone training for a period of fifteen months as specified in clauses (b) and (c) of Regulation 48 as may be exempted from the requirement of clause (a) of this regulation;

Every candidate passing the Final examination of the Institute in addition to acquiring practical experience or undergoing management training or apprenticeship training as stipulated in Regulation 48 shall be required to undergo compulsory practical training for a total period of four months as specified below:

(a) to undergo three months' training in a public limited company or body corporate having a paid-up capital of not less than rupees twenty-five lakhs as approved by the Council from time to time as specified in the following manner:

- (i) Secretarial Department (including Shares and Legal) – one month;
- (ii) Finance and Accounts Department (including Costing, Management Accounting, Internal Audit and Taxation) – one month;
- (iii) Administration Department (including Personnel, General Administration, Industrial, Public Relations, Marketing and Materials Management) – one month;

Provided that a candidate who has undergone management training for a period of fifteen months as specified in clauses (b) of Regulation 48 may be exempted from the requirement of clause (a) of Regulation 50;

(b) to attend and complete successfully secretarial training for fifteen days in such manner and areas as determined by the Council and training in a specialized agency such as the Office of the Registrar of Companies, stock exchange, financial or banking institution or management consultancy firm for another fifteen days.

Provided further that the Council may on an application made in this behalf by the candidate exempt him from undergoing practical training if the Council is satisfied that the candidate has already undergone the training prescribed by such professional Institutions in India or abroad as may be recognized by the Council in this behalf on reciprocal basis.

(b) to attend and complete successfully ⁷⁶[Management Skills Orientation Programme] for fifteen days in such manner and areas as determined by the Council and training in a specialized agency such as the Office of the Registrar of Companies, stock exchange, financial or banking institution or management consultancy firm for another fifteen days;

Provided that the Council may on an application made in this behalf by the candidate exempt him from undergoing ⁷⁷[Management Skills Orientation Programme] and training in a specialized agency specified in clause (b) if the Council is satisfied that the candidate has already undergone the training prescribed by such professional Institutions, in India or abroad as may be recognized by the Council in this behalf on reciprocal basis.]

51. Exemption from undergoing practical training except secretarial training programme

A candidate may be exempted from undergoing practical training as specified in clause (a) of Regulation 50 and fifteen days in a specialized agency as specified in clause (b) of Regulation 50, if he possesses one year's experience as assistant secretary or any post higher thereto, in the secretarial department in a company or a body corporate

⁷⁶ Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012 for the words "Secretarial Modular Training Programme".

⁷⁷ Ibid.

having a paid-up Share capital and reserves of not less than rupees twenty-five lakhs or any Organisation having gross fixed assets of not less than rupees fifty lakhs including any public sector undertaking, autonomous body, financial institution of bank which in the opinion of the Council, provides scope for acquiring sufficient professional experience.

52. Partial exemption from undergoing practical training

A candidate who has acquired practical experience as specified in ⁷⁸[clause(a)] of Regulation 48 may be exempted, for a maximum period of one month in any one of the three areas of Practical Training specified in clause (a) Regulation 50 and for a maximum period of fifteen days in a specialized agency as specified in clause (b) of Regulation 50, provided he gives documentary evidence to show that he has acquired substantial portion of his practical experience in that area.

53. Exceptions

(1) (Since deleted)

(2) Any person not falling in all or any respects with regard to practical experience and practical training requirements as specified in the Regulations 48, 51 and 52, but claims to have acquired practical experience and undergone practical training, equivalent to those specified under these regulations may apply for full or partial exemption from acquiring practical experience or undergoing practical training as the case may be and the Council may determine each case for partial or total exemption taking into account the evidence produced by such person or after interviewing him.

54. Requirement of certificate of experience and practical training by members of the Institute

Every applicant claiming to have acquired the necessary

⁷⁸ The following was omitted by the Company Secretaries (Amendment) Regulation, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001: [of sub-regulation (1)].

practical experience and undergone the prescribed practical training, shall be required to obtain certificate from at least two members having a standing of three years, membership as approved by the Council, certifying that in the opinion of the certifying members, the candidate is a fit and appropriate person to be admitted to the Associate Membership of the Institute.

55. Proof of Practical experience and training

A candidate, who possesses the requisite practical experience and has undergone the requisite practical training or has been exempted therefrom as provided in these regulations, shall be required to produce necessary documentary proof to the satisfaction of the Council along with his application in the appropriate form for Associate Membership.

⁷⁹[55A. Disciplinary action in connection with training

⁷⁹ Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following:

[Disciplinary action in connection with management, apprenticeship or practical training

In the event of any misconduct by a candidate undergoing management apprenticeship or practical training, the Council or the Disciplinary Committee may *suo-moto* or on receipt of a complaint, if it is satisfied that the misconduct is proved after such investigation as it may deem necessary and after giving him an opportunity of being heard, reprimand the candidate or cancel or suspend his registration as a student or suspend or debar him from appearing in any one or more examinations of the Institute or direct that any period of training already undergone shall not be reckoned for the purposes of Regulation 48 or 50 or declare that such a candidate is not fit and appropriate person to be admitted to the Associate Membership of the Institute.

Explanation: Misconduct for the purposes of this regulation shall include “a behaviour in a disorderly manner in relation to the Institute or in or near the place where undergoing training, breach of any regulation, condition, guideline or direction laid down by the Institute, malpractice with regard to training or resorting to or attempting to resort to unfair means in connection with the undergoing or training or seeking exemption from undergoing the training.”]

including ⁸⁰[Management Skills Orientation Programme]

In the event of any misconduct by a candidate undergoing training including ⁸¹[Management Skills Orientation Programme], the Council or the Disciplinary Committee may *suo-moto* or on receipt of a complaint, if it is satisfied that the misconduct is proved after such investigation as it may deem necessary after giving him an opportunity of being heard, reprimand the candidate or cancel or suspend his registration as a student or suspend or debar him from appearing in any one or more examinations of the Institute or direct that any period of training already undergone shall not be reckoned for the purposes of Regulation 48 or Regulation 50 or declare that such a candidate is not fit and appropriate person to be admitted to the Associate Membership of the Institute.

Explanation—For the purposes of this Regulation “misconduct” shall include “a behaviour in a disorderly manner in relation to the Institute or in or near the place where undergoing training, breach of any regulation, condition, guideline or direction laid down by the Institute, malpractice with regard to training or resorting to or attempting to resort to unfair means in connection with the undergoing of training or seeking exemption from undergoing the training or for breach of any policies, rules and regulations for the organisation in which he/she is undergoing training”.]

⁸²[55AB Applicability of Chapter VII :-

80 Substituted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012 for the words “Secretarial Modular Training Programme”.

81 Ibid.

82 Inserted by the Company Secretaries (Amendment) Regulations, 2014 Notification No. 710/1/(M) (1) published in the Gazette of India, Extraordinary Part III – Section 4 dated 1.4.2014.

The provisions of this Chapter shall apply to students registered to Intermediate or Executive Programme before the date of this notification, if they do not opt to comply with the provisions of Chapter VIA.]

⁸³[Chapter VIIA Post Qualifying Courses and Examinations

⁸⁴[55B. Post Qualifying Courses and Examinations]

The Council may impart or arrange to impart practical and/or theoretical training and hold examinations in such subjects as it may consider useful for members and may award certificates or diplomas in connection therewith in accordance with the provisions of this Chapter.

⁸⁵[Post Membership Qualification Courses]

55C. Scheme of Post Membership Qualification Course

⁸⁶[The Post Membership Qualification Courses as

⁸³ Inserted by the Company Secretaries (Amendment) Regulations, 1995, Notification No. 710/1/(M):17, published in the Gazette of India, Extraordinary dated 21.2.1995.

⁸⁴ Substituted by the Company Secretaries (Amendment) Regulations, 2006, Notification No. ICSI/710/1/M/1, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 26th June, 2006 for the following:

“The Post Qualification Courses as prescribed under Regulation 55B shall be governed by Regulations 55D to 55R.”

⁸⁵ Substituted by the Company Secretaries (Amendment) Regulations, 2006, Notification No. ICSI/710/1/M/1, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 26th June, 2006 for the following:

Post Membership Qualification Course in Capital Market

⁸⁶ Substituted by the Company Secretaries (Amendment) Regulations, 2006, Notification No. ICSI/710/1/M/1, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 26th June, 2006 for the following:

prescribed under Regulation 55B shall be governed by Regulations 55D to 55R.]

55D. Administration

Notwithstanding anything contained in Regulation 100, the Post Membership Qualification Course shall be under the charge of a committee constituted by the Council for the purpose under Sub-section (2) of Section 17 of the Act (referred to in this Chapter as the "Committee") whose functions shall include holding of the examination; admission thereto, granting approval of dissertation or project report, appointment and selection of examiners, prescription of books for the guidance of candidates, declaration of results and other allied matters.

55E. Advisory Board

The Committee may appoint an advisory board consisting of not more than seven persons to advise the Committee on the matters relating to the syllabus, examinations, dissertation or project report and any other matter relating to Post

"(ii) In Regulations 55D to 55R for the words "Capital Markets and Financial Services" wherever they occur, the words "Post Membership Qualification" shall be substituted."

(1) The Capital Markets and Financial Services Course shall comprise of following two parts, namely—

(a) Part I of the course shall consist of Group I of 200 part II of the course shall consist of dissertation or project report of 150 marks and interview of 50 marks.

(b) Part II of the course shall consist of dissertation or project report of 150 marks and interview of 50 marks.

(2) The candidates for Part I examination shall be examined in five subjects comprised in two Groups each consisting of the following papers, namely—

Group I—Paper I: Financial Management—Concepts, Issues and Practices.

Paper II: Financial Services, Financial Markets and Financial Products.

Group II—Paper III: Security Evaluation and Investment Management.

Paper IV: Portfolio Management and Mutual Funds.

Paper V: International Financial Management-Concepts, Capital Markets and Instruments.

(3) The syllabus for the Part I of Capital Markets and Financial Services Course shall be as specified in Schedule D.

Membership Qualification Course, as might be referred to it by the Committee.

55F. Admission to Post Membership Qualification Course

(1) No candidate shall be admitted to the Post Membership Qualification Course unless he is a member at the time of admission to the said course.

(2) Any candidate applying for admission to the Post Membership Qualification Course shall be required to apply in the appropriate form along with the registration fee, annual fee, if applicable and other fees as determined by the Council from time to time in respect of services to be rendered.

55G. Time limit for completing Post Membership Qualification Course

(1) *Registration period:* Every candidate applying for admission to the Post Membership Qualification Course shall be registered in accordance with regulations under this Chapter for a period of five years from the month in which his application, complete in all respects, is accepted by the Institute for registration.

(2) *Time limit for completing examination:* A candidate registered for the course under sub-regulation (i) shall be required to complete the examination and submit dissertation or project report, as the case may be, within the registration period.

(3) *Termination of registration:* The registration of a candidate shall terminate on the expiry of five years or at the end of the year in which the said candidate has successfully completed the Post Membership Qualification Course, whichever is earlier;

Provided that the Committee may, subject to such guidelines as may be laid down in this behalf by the Council, extend the registration period of a candidate registered under this Chapter beyond five years.

55H. Admission to Post Membership Qualification Examination

No member shall be admitted to Part I of the Post Membership Qualification examination unless:

- (a) he is registered under Regulation 55G, at least six calendar months prior to the month in which the examination commences, that is to say, if any examination commence in December, candidates registered upto and including May of that calendar year shall be eligible;
- (b) he applies for admission to an examination, in the appropriate form, the copies of which may be made out by the candidate himself, with requisite particulars and fees as may be determined by the Council from time to time so as to reach the Institute in accordance with the directions given by the Committee.

55I. Examination requirements

(1) Candidates registered under this Chapter shall be required to comply with such conditions relating to examinations and dissertation or project report as may be laid down by the Council from time to time.

(2) Admission to examination, expulsion and withholding of results—(a) The Committee or a person authorized by it in this behalf may, for reasons to be recorded in writing:

- (i) refuse to admit a candidate registered under Regulation 55G to an examination, or
- (ii) admit him to an examination subject to such conditions as it or he may consider to be reasonable in the circumstances of a case; or
- (iii) expel him from an examination hall, after he has been admitted to it in the usual course.

(b) Notwithstanding the fact that a candidate has obtained the minimum marks for passing an examination, the Committee may, for reasons to be recorded in writing, withhold the result.

(c) Any order passed by the person authorized by the

Committee may be reviewed by it and any order passed by the Committee may be reviewed by the Council.

55J. Suspension or cancellation of examination or dissertation or project report result or registration

In the event of any misconduct by a candidate registered under this Chapter, the Council or the Committee may *suo moto* on or receipt of a complaint, if it is satisfied that, the misconduct is proved after such investigation as it may deem necessary and after giving such candidate an opportunity to state his case suspend or debar the candidate from appearing in any one or more examinations or from submission of dissertation or project report, withhold or cancel his examination or dissertation or project report result or suspend or cancel his registration and debar him from future registration under this Chapter as the case may be.

Explanation: Misconduct for the purposes of this Regulation shall mean and include behaviour in a disorderly manner in relation to the Institute or in or near an examination premises, breach of any regulation, condition, guideline or direction laid down by the Institute, resorting to or attempting to resort to unfair means in connection with the writing of any examination conducted by the Institute, preparation or submission of dissertation or project report such as copying, reproduction of any material from existing literature or sources without duly acknowledging the same as may be specified by the Committee from time to time.

55K. Conduct of an Examination

(1) The examination may be conducted at such intervals, in such manner and at such time and places, as the Council may decide subject to availability of such minimum number of candidates enrolling for the examination as may be determined by the Committee from time to time.

(2) The dates and places of the examination and other particulars shall be published in the journal.

55L. Refund or appropriation of examination fees

(1) A candidate once issued with an admission certificate for

an examination shall not be entitled under any circumstances to refund of the examination fees paid by him.

(2) Where, however, a candidate applies to the Institute within fifteen days from the last date of examination for considering appropriation of examination fee to the next examination on the ground that he was prevented from attending the examination on account of circumstances beyond his control, and furnishes requisite documentary proof and information to the satisfaction of the Institute, the Institute may permit fifty per cent of the examination fees paid by him to be appropriated towards the fees payable for the next following examination for the same papers for which he was enrolled.

55M. Change of examination centre

Applications for change of examination centres shall not ordinarily be entertained and if entertained a fee as may be determined by the Council from time to time be charged for the purpose:

Provided that no application received within fifteen days before the date of commencement of an examination shall be entertained by the Council.

55N. Dissertation or project report

(1) A candidate after qualifying Part I of the Post Membership Qualification Examination, shall submit not earlier than six months and not later than two years from the date of qualifying Part I examination of the said course, a dissertation or a project report on a subject to be approved by the Committee within the registration period:

Provided that the Committee may extend time for submission of dissertation or project report in cases where:

- (i) a candidate fails to submit his dissertation or project report within two years from the date of qualifying Part I examination; or
- (ii) the dissertation or project report submitted by a candidate under sub-regulation (1) requires modification on the advice of the referee;
- (iii) a candidate fails to submit his dissertation or project report during his registration period after he has

obtained renewal of his registration under proviso to sub-regulation (3) of Regulation 55G.

(2) The candidate shall submit the name of one or more guides from the panel of guides maintained by the Institute alongwith the synopsis of dissertation or project report giving therein details about the proposed dissertation or project report which shall include the problems identified, their relevance to the Post Membership Qualification Course, the date and methodology to be used and suggestions or recommendations in relation to the problems so identified:

Provided that a candidate may opt, with the prior approval of the Committee, for a guide not included in the panel of guides maintained by the Institute.

(3) The dissertation or project report shall be submitted alongwith such non refundable fees as may be determined by the Council from time to time.

(4) The candidate shall submit in English five neatly type-written or printed copies of the dissertation or project report embodying the results of his research:

Provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates the use of Hindi as a medium of writing the dissertation or project report.

(5) The candidate shall further submit a statement indicating the sources from which his information has been derived and the extent to which he has based his work on the work of others and shall indicate which portion or portions of his work he claims as original.

(6) The Committee shall forward the dissertation or project report to the referees appointed by it or their advice whether the dissertation or project report is of a sufficiently high degree of merit as to deserve approval or whether it may be modified and if so, in what manner or whether it may be rejected.

(7) If a candidate fails to obtain the minimum pass marks specified in Regulation 55P either in the dissertation or

project report, as the case may be, or in the interview, he may at his option resubmit either the same dissertation or project report with modifications and improvements made therein or submit another dissertation or project report, as the case may be, in accordance with the provisions contained in the Chapter and on his attaining the required passing marks, he shall be required to appear at another interview as provided in this Chapter.

(B) If a candidate fails to:

- (i) submit the dissertation or project report, as the case may be, within the period specified in sub-regulation (1); or
- (ii) resubmit the dissertation or project report as the case may be, incorporating therein the modifications advised by the referees within the period specified in sub-regulation (1) or within the time extended by the Committee under proviso to sub-regulation (1); or
- (iii) submit his dissertation or project report during his registration period after he has obtained renewal of his registration under proviso to sub-regulation (3) of Regulation 55G, his registration under this Chapter shall stand cancelled.

Provided that the Committee may renew the registration at its discretion on the receipt of an application from the candidate together with fee which may be determined by the Council and which shall not be refunded except where the application is not entertained and on such renewal of the registration the candidate shall be entitled to claim exemption from the subjects previously passed by him without payment of any exemption fee.

⁸⁷[Provided further that the Council may provide for any other

⁸⁷ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012

training, workshop or completion of any other requirement in part II of the Post Membership Qualification Courses in addition or in lieu of Dissertation or project report as specified in sub-regulation (1).]

55O. Interview

The candidate shall be required to appear for interview on the dissertation or project report before an interview board that may be appointed by the Committee in this behalf.

55P. Requirements for passing the Examination

(1) A candidate for the Post Membership Qualification Examination shall be declared to have passed:

- (a) in Part I of the examination if he passes in both the Groups simultaneously or in any one Group at one examination and in the remaining Group at any subsequent examination securing at one sitting a minimum of forty per cent marks in each paper of the Group and a minimum aggregate fifty per cent of the total marks in all the papers of that Group;
- (b) in Part II of the examination if he obtains a minimum of sixty per cent marks in the dissertation or project report, as the case may be, and a minimum of sixty per cent marks in the interview. Failure to obtain the minimum pass marks either in the dissertation or project report as the case may be, or in the interview will necessitate resubmission of the dissertation or project report with modifications and improvements made therein or submit another dissertation or project report followed in either case by the interview as specified in this Chapter.

(2) *Individual intimation:* Every candidate shall be individually informed of the marks obtained in each paper of the Part I of the course and the result thereof but under no circumstances the marks obtained in individual questions or sections of a paper shall be furnished. The marks obtained by a candidate in Part II of the examination shall not be intimated to him unless he is declared successful in both the dissertation or project report and the interview.

(3) *Verification of marks:* Information as to whether a candidate's answer to each question in any particular paper or papers at any examination have been duly examined and marked or not shall be supplied to a candidate on his submitting an application with such verification fee as may be determined by the Council from time to time within thirty days of the declaration of the results of the said examination.

Explanation: Fee referred to in this sub-regulation is only for verifying whether the candidate's answers in any particular paper or papers have been examined and evaluated and not for revaluation of the answer.

55Q. Examiners

The Committee may make such arrangements and may appoint such examiners to set question papers and value answer books as it may deem fit.

55R. Amendment of result

In any case where it is found that the result of an examination has been affected by an error, malpractice, fraud, improper conduct or other matter of whatever nature, the Committee shall have the power to amend such result in such manner as shall be in accord with the true position and to make such declaration as the Committee shall consider necessary in that behalf.

⁸⁸55S. Grant of Diploma Certificate

The scheme and the subjects of the Post Qualification Courses shall be as follows:-

⁸⁸ Substituted by the Company Secretaries (Amendment) Regulations, 2006, Notification No. ICSI/710/1/M/1, published in the Gazette of India, Extraordinary, Part III – Section 4, dated 26th June, 2006 for the following:

Grant of Diploma Certificate—A candidate successfully completing the Capital Markets and Financial Services Course under this Chapter shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and bracket "DCMFS (ICSI)" to indicate that he has been awarded the "Post Membership Diploma in Capital Markets and Financial Services by the Institute of Company Secretaries of India".

Course A: Capital Markets and Financial Services Course

(1) The Capital Markets and Financial Services Course shall comprise of following two parts, namely—

- (a) Part I of the course shall consist of Group I of 200 marks and Group II of 300 marks; and
- (b) Part II of the course shall consist of dissertation or project report of 150 marks and interview of 50 marks.

(2) The candidates for Part I examination shall be examined in five subjects comprised in two Groups each consisting of the following papers, namely—

Group I

Paper I : Financial Management - Concepts, Issues and Practices.

Paper II : Financial Services, Financial Markets and Financial Products.

Group II

Paper III: Security Evaluation and Investment Management.

Paper IV : Portfolio Management and Mutual Funds.

Paper V : International Financial Management-Concepts, Capital Markets and Instruments.

(3) The syllabus for Part I of Capital Markets and Financial Services Course shall be as specified in Schedule D.

(4) A candidate successfully completing the Capital Markets and Financial Services Course shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and bracket “DCMFS (ICSI)” to indicate that he has been awarded “Post Membership Diploma in Capital Markets and Financial Services” (DCMFS) by the Institute of Company Secretaries of India.

Course B: Corporate Governance Course

(1) The Corporate Governance Course shall comprise of following two parts, namely—

- (a) Part I of the course shall consist of Group I of 300 marks and Group II of 200 marks; and

(b) Part II of the course shall consist of dissertation or project report of 150 marks and interview of 50 marks.

(2) The candidates for Part I examination shall be examined in five subjects comprised in two Groups each consisting of the following papers, namely -

Group I

Paper I : Conceptual Framework of Corporate Governance.

Paper II : Corporate and Board Management.

Paper III : Legal Framework of Corporate Governance.

Group II

Paper IV : Board Committees and Role of Professionals.

Paper V : Corporate Governance — Codes and Practices.

(3) The syllabus for the Part I of Corporate Governance Course shall be as specified in Schedule E.

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

⁸⁹[Course C : Competition Law Course.

(1) The Competition Law Course shall comprise of following two parts namely-

- (a) Part I of the Course shall consist of four papers of 400 marks, and
- (b) Part II of the Course shall consist of Training for 100 Hours in the manner and areas

⁸⁹ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

specified by the Council under a Competition Law practitioner, Legal Department of Large Companies particularly Multi National Companies or Practising Company Secretaries firms engaged in Competition Law practice, as may be approved by the Council from time to time.

(2) The Candidates for Part I examination shall be examined in four subjects consisting of the following papers, namely:-

Paper I Concept and Economics of Competition (100 marks)

Paper II Anti-competitive Agreements and Abuse of Dominance (100 marks)

Paper III Regulation of Combinations (100 marks)

Paper IV Competition Compliance Programme (50 marks)

Paper V Case Study (50 marks)

(3) The syllabus for the Part I of Competition Law Course shall be as provided in Schedule F.

(4) A candidate successfully completing the Competition Law Course shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and bracket "DCL (ICSI)" to indicate that he has been awarded "Post Membership Diploma in Competition Law" by the Institute of Company Secretaries of India.

Course D: Corporate Restructuring and Insolvency

(1) The Corporate Restructuring and Insolvency shall comprise of following two modules namely -

- (a) Module A of the Course shall consist of four papers of 100 marks, and
- (b) Module B of the Course shall consist of Compulsory Workshop of one day organised in the manner specified by the Council before the written examination in June or December wherein the candidates shall be required to make presentation on case studies assigned in advance and interact with experts and clarify their doubts about the study during the workshop.

(2) The Candidates for 'Module A' examination shall be examined in four papers consisting of the following papers, namely:-

Paper 1	Corporate Restructuring, Rescue and Insolvency	100 marks
Paper 2	Strategic Options for Corporate Restructuring	100 marks
Paper 3	Cross Border Insolvency Practice and Procedure	100 marks
Paper 4	Professional and Ethical Practices for Insolvency Practitioners	100 marks

(3) The syllabus for the Module A of Corporate Restructuring and Insolvency shall be as provided in Schedule G.

(4) A candidate successfully completing the Corporate Restructuring and Insolvency shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and bracket "DCRI (ICSI)" to indicate that he has been awarded "Post Membership Diploma in Corporate Restructuring and Insolvency" by the Institute of Company Secretaries of India;]

Chapter VIII Constitution of the Council

56. to 58. omitted.⁹⁰

90 Omitted by the Company Secretaries (Amendment) Regulation, 2010. Notification No. 531:Legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010 :

56. Regional Constituencies

For the purpose of constitution of the Council in pursuance of clause (a) of Sub-section (2) of Section 9, the electorate shall be constituted into such regional constituencies as may be notified in this behalf by the Central Government in the Official Gazette.

57. Proportional representation

(1) The Council shall notify in the Journal at least [ninety days] before the date of Annual Meeting in the year of election of member of the Council:

- (a) the total number of persons to be elected to the Council from all the regional constituencies; and
- (b) the number of persons to be elected from each regional constituency.

(2) The number of persons to be elected to the Council from each regional constituency shall bear the same proportion to the number of persons to be elected from all constituencies as the number of members of the Institute in that regional constituency bears to the number of members of the Institute in all constituencies, the resultant fraction exceeding half being counted as one and the resultant fraction equivalent to or less than half being omitted.

(3) The number of persons to be elected from a regional constituency under sub-regulation (2) shall be decided on the basis of the number of members from such regional constituency as borne on the Register on the first day of April in the year of election.

(4) Notwithstanding anything contained in sub-regulation (2) each regional constituency shall have at least two persons elected therefrom to the Council.

58. Duration of office

(1) The persons elected to the Council shall be deemed to have become members of the Council from the date of the first meeting of the Council held after the election.

[(2) An elected member of the Council shall, subject to the provisions of Sections 13 and 14, hold office for a period of three years and shall not be required to vacate the membership of the Council if he changes his professional address from the Regional constituency to another.]

Chapter IX Elections

59. to 87. omitted.⁹¹

91 (3) An elected member of the Council whose term of office has expired shall be eligible for not more than one consecutive term.
Omitted by the Company Secretaries (Amendment) Regulation, 2010. Notification No. 531:Legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010 :

[59. Dates of election

The Council shall notify in the Journal at least ninety days before the date of expiry of the terms of the existing Council, the dates fixed for the following stages of election of members of the Council, namely:

- (a) the last date and time for receipt of nomination;
- (b) the date of the scrutiny of nominations;
- (c) the last date for withdrawal of nominations;
- (d) the date of polling;
- (e) the last date for receipt of applications for permission to vote by post under Regulation 84;
- (f) the last date for receipt of voting papers by post; and
- (g) any other date or dates for the conduct of election.

60. *Election Committee*

An Election Committee consisting of the President, Vice-President and one government nominee on the Council, as may be nominated by the Central Government, shall generally supervise the conduct of elections to the Council and the Regional Councils in accordance with the regulations contained in this Chapter and Chapter XII:

Provided that where the President or Vice-President, as the case may be, is a candidate for election, the President or the Vice-President as the case may be, or, both, shall be ineligible to continue as member(s) thereof and the resulting vacancy shall be filled upto by the Secretary by nominating one, or, as the case may be, two persons not contesting the elections from out of a list of persons previously approved by the Council in the order of priority given in such list.

61. *Returning Officer*

The Secretary shall be the Returning Officer who shall conduct the elections in accordance with these regulations.

62. *Members eligible to vote*

(1) Subject to the other provisions of these regulations, a person whose name is borne on the Register on the 1st day of July of the year in which the election to the Council is to take place, shall be eligible to vote in the election from the regional constituency within whose

Continued

territorial jurisdiction his professional address falls on the said date provided that his name has not been removed from the Register after the said date and before the date of poll:

Provided that if the professional address is not borne on the Register on the relevant date, the residential address borne on the Register shall determine his regional constituency.

(2) In the case of members having their professional addresses outside India and eligible to vote, their regional constituencies shall be determined according to their professional addresses in India registered immediately before he went abroad or the residential addresses in India borne on the register on the relevant date, whichever is earlier.

63. *List of voters*

(1) At least ninety days before the date of expiry of the term of the existing Council, the Returning Officer shall prepare a list of members of the Institute in each constituency eligible to vote, showing *inter alias* distinctly and separately-

- (i) whether any particular member is an Associate member or a Fellow member;
- (ii) the polling area or polling booth to which the voter is attached and where he should exercise his Franchise, if the Returning Officer decides that his voting shall be in a polling booth, and not by post;
- (iii) the location of the polling booth and polling area for which each such booth has been selected; and
- (iv) whether any particular member is entitled to vote by power under Regulation 84.

(2) Subject to the other provisions of these regulations, the address published in the list of members eligible to vote shall be final for determining the manner in which a member is entitled to cast his vote or the constituency or the polling booth to which he belongs for the purpose of casting his vote:

Provided that if a member attached to a particular polling booth in a city where more than one polling booth have been set up, finds that it would be difficult for him to vote at the polling booth to which he is attached, he may, at the discretion of the Returning Officer, be permitted to vote at another polling booth in the same city. Applications in this behalf in writing stating the reasons for the request must reach the Returning Officer at least forty-five days before the date of polling.

64. *Members eligible to stand for election*

Subject to sub-regulation (3) of Regulation 58, any member whose name is borne on the Register as a Fellow as on the first day of July of the year in which election is held and whose name continues to be borne on the Register on the date of declaration of results of election, shall be eligible to stand as a candidate for election to the Council from

the regional constituency in which his professional address is included as a voter:

Provided that no member shall be eligible to stand as a candidate for election to the Council and to a Regional Council at the same time.

Explanation: For the purpose of this Chapter, unless the context otherwise requires, "candidate" shall mean a member who is entitled to file and has filed his nomination for election to the Council under these regulations and whose name continues to be borne on the Register on the date of declaration of results of elections.

65. Nominations

(1) The Council shall not less than ninety days before the date of expiry of the term of the existing Council, notify in the Journal the number of persons to be elected from each regional constituency and call for nominations or candidates for election to each regional constituency by a specified date which shall not be less than fourteen days from the issue of the notification.

(2) The nomination of a candidate shall be in the appropriate form duly signed by the candidate and by one proposer and one seconder all of whom shall be persons entitled to vote in the election and shall be delivered so as to reach the Returning Officer not later than the last date fixed for receipt of nominations.

(3) The nomination shall be accompanied by a statement duly completed, signed and verified by the candidate containing information concerning the candidate in respect of the following matters, namely:-

(a) Name, membership number and professional address:

(b) Age:

(c) Academic and profession qualification:

(university degrees, post-graduate diplomas given by any university and membership of professional bodies recognized by the Council).

(4) The statement referred to in sub-regulations (3) may also contain, at the option of the candidate, information concerning the candidate in respect of the following matters, namely:

(a) merit award (in degree/diploma examination conducted by universities, examinations conducted by the dissolved company or the Institute and examinations conducted by any other Institution recognized by the Council for the purpose);

(b) particulars of present occupation:

(i) employment (Name of employer and official designation of candidate as given by employer);

(ii) practice as Company Secretary (sole proprietor or in partnership, including the name of the firm);

(iii) any other main occupation (application only if the candidate is not in any employment on practicing as Company Secretary).

(c) Other Particulars:

- (i) past and present membership of the Council, Regional Councils and Managing Committee of Chapters including office of President and Vice-President in the Council and office of Chairman and Vice-Chairman, Secretary Treasurer in the Regional Council and Chapters;
 - (ii) contributions in professional seminars and conferences organized by the Council, its Regional Councils and Chapters;
 - (iii) authorship of books or articles on any subject directly related to corporate and business management and of interest to company secretaries;
 - (iv) academic positions held in universities and professional institutions recognised by the Council.
- (5) The candidate may further, at his option furnish a copy of his recent passport size photograph.

[66. Nomination fee

- (1) Every candidate standing for election shall, alongwith the nomination papers pay at the head quarters office a fee of not exceeding rupees five thousand as may be notified alongwith the notification of dates of election under Regulation 59 by the Council before each election in cash or by demand draft which shall not be refundable under any circumstances except in the event of the rejection of nomination under sub-regulation (11) of Regulation 67.
- (2) Against the deposit of one nomination fee only one nomination will be accepted.]

67. Scrutiny of nominations

- (1) The Council shall appoint for each election a panel for the scrutiny of the nomination papers of all the candidates.
- (2) The panel shall consist of three persons of whom one shall be the Secretary of the Institute and the other two shall be persons nominated by the Council from amongst the members of the Council referred to in clause (b) of Sub-section (2) of Section 9 of the Act, who shall be officers of the Central Government, provided that if one or more of such members are not available or unwilling to act, then such other person or persons as the Council may decide, in order of preference.
- (3) A notification containing the names of the members of the panel appointed by the Council shall be issued to the members generally before the last date fixed for the receipt of nominations for the election for which the panel is appointed.
- (4) The term of the panel shall end with the conclusion of the election for which it is appointed.

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- (5) The panel shall have the power to regulate its procedure in such manner as it considers just and expedient.
- (6) The quorum of the panel of the transaction of its business shall be two.
- (7) The decisions of the panel shall normally be unanimous. In case of difference of opinion among the members of the panel, the final decision shall be that of the majority of the members constituting the panel.
- (8) In case a vacancy arises in the panel by reason of one or more members of the panel being unable to act for any reason, the vacancy shall be filled up by the Council, in the order of preference.
- (9) The panel shall scrutinize the nomination papers of all the candidates on the date fixed for the purpose and shall endorse on each nomination paper its decision whether it accepts, refuses or rejects the nomination. At such scrutiny of nominations, the panel shall allow any candidate or his authorized representative to be present, if he so desires.
- (10) The panel shall record a brief statement of its reasons if it refuses or rejects a nomination.
- (11) The panel shall refuse or reject a nomination if it is satisfied:
- (a) that the candidate was ineligible to stand for election under Regulation 64 or he filled nomination for election to both the Council and Regional Council in contravention of proviso to Regulation 64;
 - (b) that the proposer or the seconder was not qualified to subscribe to the nomination of the candidate under sub-regulation (2) of Regulation 65;
 - (c) that the signature of the candidate or of the proposer or the seconder is not genuine or has been obtained by coercion or fraud;
 - (d) that the provisions of Regulations 65 and 66 have not been complied with, in that—
 - (i) the nomination was not in the appropriate form;
 - (ii) the nomination fee was not paid as provided under Regulation 66;
 - (iii) the nomination was not signed by the candidate, the proposer or the seconder;
 - (iv) the nomination was not accompanied by a statement duly completed, signed and verified by the candidate as provided in sub-regulation (3) of Regulation 65; or
 - (v) the nomination was not delivered in the institute on or before the last date and time fixed for receipt of nominations.

Explanation 1: If the last date fixed for receipt of nominations under clause (a) of Regulation 59 is subsequently declared as a holiday for the Institute or for delivery of registered posts by the local post office,

the last date fixed shall be construed as the immediately next working day for the Institute or local post office, as the case may be.

Explanation II: The panel may not reject a nomination paper in the ground of a technical defect which is not of a substantial character.

Explanation III: The rejection of a nomination of a candidate by reason of any irregularity in respect of that nomination shall not be a ground for rejection of another nomination which is valid in respect of the same candidate.

Explanation IV: If a proposer or a seconder incurs a disability by reason of the operation of the provisions of the Act and these regulations subsequent to the last date fixed for receipt of nominations, it shall not invalidate the nomination.

(12) Where the nomination(s) of a candidate have been rejected, the Returning officer shall give notice of the decision of the panel together with a brief statement of the reasons therefore, to the candidate concerned by registered post within seven days from the last date fixed for receipt of nominations.

68. Preparation of lists of valid nominations

(1) On completion of the scrutiny of the nominations, the Returning Officer shall forthwith prepare a list of valid nominations received in respect of each regional constituency and cause a copy of the list to be sent by registered post to each candidate of the constituency with seven days of the last date fixed for receipt of nominations.

(2) The list shall contain the names in alphabetical order with the professional addresses of the candidates in respect of each regional constituency and, in case the professional address of a candidate is not borne on the Register on that relevant date, the residential address or such a candidate as on that relevant date borne on the Register.

69. Withdrawal of nominations

(1) Subsequent to the receipt of the list of valid nominations sent under sub-regulation (1) of Regulation 68, a candidate may withdraw his nomination by notice in writing, subscribed by him and delivered to the Returning Officer, on or before the last date fixed for such withdrawals which shall not be less than ten days from the date following the date of issue of the communication under sub-regulation (1) of Regulation 68.

(2) A candidate who has withdrawn his nomination shall not be entitled to rescind his withdrawal.

70. Intimation of final list of nominations to candidates and voters

(1) The Returning Officer shall omit from the list of valid nominations the names of candidates who have withdrawn their nominations and send the final list of contesting candidates (hereinafter referred to as "contestng candidates") in respect of each regional constituency to all the candidates of the constituency by registered post and to the voters of that constituency by recorded delivery post.

(2) The list shall also be accompanied by such particulars of all contesting candidates of that constituency as complied, prepared and presented by the Returning Officer from the particulars to the extent supplied by the candidates under sub-regulations (3), (4) and (5) of Regulation 65.

(3) In representing the particulars required to accompany the list under sub-regulation (2) hereof, the Returning Officer shall,-

(a) make use of the particulars furnished by the candidates under sub-regulations (3), (4) and (5) of Regulation 65.

(b) not include anything, whether or not contained in the particulars furnished by the candidate as aforesaid except to the extent the particulars conform to the requirements to sub-regulations (2), (3), (4) and (5) of Regulation 65; and

(c) correct any manifest errors that may have come to his notice.

(4) The particulars required to accompany the final list of nominations, as aforesaid shall prominently indicate that they have been complied, prepared and presented on the basis of particulars furnished by the candidates under sub-regulations (2), (3) (4) and (5) of Regulation 65 and that no responsibility is accepted by the Returning Officer as to the correctness of the said particulars.

71. Death or cessation of membership of a candidate

If a contesting candidate dies or otherwise ceases to be a member before the date of declaration of the results of election, the election for the respective regional constituency shall be conducted amongst the remaining candidates belonging to the regional constituency and no fresh proceedings with reference to the election of members in that regional constituency shall be commenced.

72. Candidates deemed to be elected if their number is equal to or less than the number of members to be elected

(1) Where the number of contesting candidates from any regional constituency is equal to or less than the number of persons to be elected from that constituency or becomes equal to or less than the number of persons to be elected from that constituency by reasons of the death or cessation of membership of one or more candidates before the date of declaration of the results of election, the remaining candidates shall be deemed to be elected and the Returning Officer shall declare all such candidates as duly elected.

(2) Where the number of candidates elected under sub-regulation (1) from a regional constituency is less than the number of persons to be elected from the regional constituency, the Council may, at the first meeting held immediately following the election or thereafter, recommend a panel of Fellow members from that regional constituency for nomination by the Central Government under Section 11 of the Act.

73. System of election and manner of voting

(1) The elections to the Council shall be held in accordance with the system of proportional representation by means of a single transferable vote.

(2) Except as otherwise provided, at every election where a poll is taken, vote shall be given by secret ballot and every voter in any election, shall cast his vote personally in the booth provided for the purpose, unless a voter is allowed in respect of any election to cast his vote by post as hereinafter provided.

74. Poling booths

The Council shall specify for each election the number of votes necessary for setting up of a polling booth and the Returning Officer shall accordingly set up such number of polling booths as required provided the voters professional addresses given in the list of members eligible to vote were not beyond a radius of sixteen kilometers from the polling booth allotted.

75. Polling Officer

The Returning Officer shall appoint a Polling Officer for each polling booth who would always be a government official and may also appoint such other person(s) as he may deem necessary to assist the Polling Officer. The Polling Officer shall in addition to performing any other duties imposed upon him by these regulations be in general incharge of all arrangements at the polling booth and generally for the preservation of peace and order at or in the vicinity of the polling booth.

76. Secret chamber and ballot paper

There shall be a secret chamber or chambers in each polling booth and such chamber shall be so arranged that where a voter records his vote on the ballot paper, no other person(s) can see how he has voted.

77. Identification of voters

(1) Every person claiming to be a voter shall be required to sign against his name in the copy of the list of members eligible to vote as provided by the Returning Officer and his signature shall be verified by the Polling Officer with the specimen signature provided by the Returning Officer

(2) At any time before a ballot paper is delivered to a person claiming to be a voter, the Polling Officer may, of his own accord, if he has reason to doubt the identity of the person or his right to vote at the polling booth, or if his specimen signature is not available with the Polling Officer, and shall, if so required by a candidate or his authorized representative, satisfy himself in any manner as he may deem advisable as to his identity or his right to vote.

(3) If the Polling Officer is not satisfied as to the identity of the person claiming to be a voter, he may issued a ballot paper to such person(s) but instead of getting the ballot paper inserted in the ballot box, he shall place the same in a separate sealed cover superscribed as "Tendered Ballot" and send it to the Returning Officer, along with a

letter from the person concerned, for the decision of the Returning Officer which shall be final and conclusive.

(4) In deciding the right of a person to obtain a ballot paper under this regulation the Polling Officer at any polling booth may interpret any entry in the list of members eligible to vote so as to overlook merely clerical or printing error, provided that he is satisfied that such person is identical with the voter to whom such entry relates.

78. Records to be kept by Polling Officer

The Polling Officer shall at the time of delivery of the ballot paper place against the name of the voter in the list of members eligible to vote a mark to denote that the voter has received a ballot paper. He shall also keep a record of the ballot papers supplied to the voters in such manner as the Returning Officer may direct.

79. Manner of recording of votes after receipt of ballot paper

(1) On receiving the ballot paper, the voter shall forthwith proceed into the secret chamber set apart for the purpose and shall record his votes on the ballot paper in the manner specified in Regulation 86. He shall thereafter fold the ballot paper, leave the secret chamber and insert the ballot paper in the ballot box provided for the purpose in the presence of the Polling Officer.

(2) The ballot box should be so constructed that a ballot paper can be inserted there into during the polling but cannot be withdrawn therefrom without the box being unlocked and/or the seals being broken.

80. Return of ballot paper by a voter

(1) If a voter after obtaining a ballot paper for the purpose of recording his vote(s) decides not to use the same, he shall return the ballot paper to the Polling Officer and the ballot paper as returned shall then be marked as "Cancelled – Returned" and kept in a separate envelope set apart for the purpose and a record shall be kept by the Polling Officer of all such ballot paper.

(2) If any ballot paper which has been issued to a voter for the purpose of recording his vote, is found left by the voter at the secret chamber, at the end of the day when the Polling Officer inspects the secret chamber whether the vote has been recorded in it or not, it shall be dealt with in accordance with the provisions of sub-regulation (1) as if it had been returned to the Polling Officer.

81. Procedure at the polling booth

(1) A polling booth shall be kept open on the day or days appointed for taking of poll from 9 A.M. to 4 P.M. unless otherwise directed by the Council.

(2) If the polling at any polling booth cannot take place on the day or days appointed for the purpose or is Interrupted or obstructed by any sufficient cause or the ballot box used at a booth is tampered with or is accidentally or deliberately destroyed, lost or damaged, the Returning

Officer or the Polling Officer, as the case may be, may adjourn the polling to a subsequent date or the Returning Officer may declare the polling at the booth as void and order a fresh polling.

(3) If a Polling is adjourned or declared void under sub-regulation (2), the Returning Officer shall, as soon as possible, appoint the place where the polling shall be subsequently conducted and the time, date or dates, as the case may be, for the said polling.

(4) The place, date or dates and the time of polling, appointed under sub-regulation (3), shall be notified individual to all the voters affected and, if possible, in the Journal.

(5) The Returning Officer shall not proceed to count the votes cast at the election until the polling at all the polling booths in the constituency has been completed.

(6) The Polling Officer shall close the polling booth at the end of the day, or if the polling is for more than one day, at the end of each day, at the hour appointed under sub-regulation (1), and no voter shall be admitted thereto after that hour:

Provided that any voter present in the polling booth before it is closed, shall be entitled to cast his vote.

(7) The Polling Officer shall, as soon as practicable, after the close of the polling or after its close on each day, if the polling is for more than one day, in the presence of any candidate(s) or their authorised representatives who may be present, seal the ballot box with his own seal and the seals of such candidates or authorised representatives as may desire to affix their seals thereon.

(8) The Polling Officer shall also make into separate packets:

(i) the unused ballot papers;

(ii) the returned and cancelled ballot papers;

(iii) the signed copy of the list of members eligible to vote; and

(iv) any other paper directed by the Returning Officer to be kept in a sealed cover, and seal each such packet with his own seal and the seals of such candidates or authorized representatives as may desire to affix the seals thereon. He shall arrange for the safe custody of the ballot box and such packets.

(9) Where the polling is arranged to take place for more than one day, just before the polling booth is opened to the voters on the following day, the Polling Officer shall, in the presence of any candidate(s) or their authorised representatives who may be present, remove the seal or seals affixed in accordance with sub-regulations (7) and (8), after the seals are examined by him and by the candidate(s) or authorised representatives, for use during the course of that day.

(10) The ballot box and packets, referred to earlier shall be accompanied by an account of ballot papers showing the total number of ballot papers received, issued and un-used, returned, as also the

number of ballot papers which should be found in the ballot box and packets. This account shall be forwarded to the Returning Officer.

82. Transport of ballot papers and their custody

The Returning Officer and the Polling Officer shall make adequate arrangements for safe custody of the ballot papers and for safe transport to the headquarters of the Institute of all packets or boxes and other papers referred to in Regulation 81. The Returning Officer shall also be responsible for their safe custody until the commencement of counting of votes.

83. Voting by members employed on duty at polling booths

The Polling Officers, the persons appointed by the Returning Officer to assist the Polling Officer, or the authorised representatives referred to in Regulation 87D who are voters for any constituency and who by reason of their being on duty at a polling booth, are unable to be present and to vote at the polling booth where they are entitled to vote, may send to the Returning Officer, so as to reach him at least thirty days before the date fixed for the poll at that constituency, an application for permission to vote at the polling booth where they will be on duty. If the Returning Officer is satisfied that the claim is just, he may, notwithstanding anything contained in this Chapter, allow the application and permit the voter to vote at the polling booth where he will be on duty to act as Polling Officer or to assist the Polling Officer or as authorised representative of a candidate:

Provided that such permission shall not be granted to more than one authorised representative of a candidate in respect of each polling booth, such authorised representative being specially nominated for the purpose by the candidate himself.

84. Eligibility to vote by Post

(1) A member whose name is included in the list of members eligible to vote published under the provisions of Regulation 63 and whose name is not shown under any polling booth, shall notwithstanding anything contained in this Chapter, be entitled to vote by post.

(2) A member who is entitled to vote at a polling booth may be permitted at the discretion of the Returning Officer, to vote by post, if he is unable to exercise his vote at the polling booth allotted to him by reason of –

(a) there being a permanent change in his address from the address published in the list of members eligible to vote to another village, town or city beyond a radius of sixteen kilometers;

(b) his professional address being beyond a radius of sixteen kilometers from the polling booth allotted to him; or

(c) his suffering from any permanent infirmity.

(3) In a case where even though there has been no permanent change in his professional address, a member has intimated to the Returning Officer that he would not be in a position to cast his vote at

the polling booth allotted to him as he expects to be away from his professional address on the date or dates of polling, he may be permitted, at the discretion of the Returning Officer, to receive the ballot paper by post and allowed to cast the same at any polling booth; subject to such requirements as may be specified by the Council in this behalf.

(4) A member who is actually residing beyond a radius of sixteen kilometers from the polling booth allotted to him on the basis of his professional address may at the concession provided in sub-regulation (2) on the same terms and conditions.

(5) A member who is residing outside India shall notwithstanding anything contained in this Chapter be eligible to vote by post provided that his overseas address is registered with the office of the Institute at least sixty days before the date of election. Such a member need not send an application under sub-regulation (6).

(6) An application in the appropriate form with proper verification of the contents of the application by the member concerned, should be sent to the Returning Officer by name so as to reach him at least sixty days before the date of polling, and an application not received within the time specified shall not be considered.

(7) A member who has been permitted to vote by post while sending the ballot paper to the Returning Officer shall send along with a declaration in the appropriate form specified for the purpose.

(8) Any misuse of the concession granted under this regulation or any mis-statement, false declaration or false verification in this behalf shall render the member concerned liable for disciplinary action under Regulation 87W.

(9) The Returning Officer shall postpone the conduct of poll at any polling booth for reasons to be recorded in writing.

85. Eligibility to vote at polling booth by a voter entitled to vote by post

A voter entitled to vote by post under Regulation 84 may, however, be allowed by the Returning Officer to vote in person at any particular polling booth to be specified by him within his regional constituency, provided he makes an application to that effect in writing duly addressed and forwards it to the Returning Officer by name by registered post so as to reach him at least forty-five days before the date of polling and an application not received within the time specified shall not be considered.

86. Admissible number of votes to each voter and method voting

Each voter shall have one vote only but he shall have as many preferences as there are candidates. The voter in order to cast his vote-

(a) shall place on the ballot paper the number 1 (in Arabic or Roman numerals or in words) in the square opposite the name of the candidate whom he chooses for his first preference; and

(b) may, in addition, place on his ballot paper the number 2 or the number 2 and 3 or number 2, 3 and 4 (in Arabic or Roman numerals or in words) and so on, in the squares opposite the names of the other candidates in the order of his preference.

87. Ballot paper

The ballot paper shall contain the names of all contesting candidates for the constituency in alphabetical order in English and shall bear the emblem of the Institute.

87A. Returning Officer to send ballot paper by post where applicable under Regulation 84

Not less than twenty-one days before the last date fixed for the receipt of ballot papers by post in the headquarters, the Returning Officer shall cause to be sent by recorded delivery post to each voter entitled or permitted to vote by post a ballot paper with instructions as to be manner in which the vote shall be recorded therein, an outer envelope for return of the ballot paper and an inner envelope to enclose the ballot paper specifying the date by which the ballot paper should reach the Returning Officer by name.

87B. Procedure for return of ballot papers by post

(1) Every voter referred to in sub-regulations (1), (2) or (5) of Regulation 84 shall record his vote personally in the ballot paper, fold and place it inside the inner envelope provided for that purpose, close the envelope by pasting and append his signature on the envelope at the place provided for that purpose.

(2) A voter is required to send a signed declaration in the appropriate form of having complied with the sub-regulation (1) personally.

(3) The voter shall place the closed and signed inner envelope in the outer envelope prepared for sending by ordinary post close and paste the outer envelope, put the membership number, name and signature on it on the space provided for that purpose, and post it, so as to reach the Returning Officer not later than the last date specified for receipt of ballot papers from voters by post under Regulation 59.

(4) A voter may, at his option forward the ballot paper by registered post.

87C. Issue of undelivered and fresh ballot paper

Where a ballot paper and the accompanying material sent by post under Regulation 87A, are damaged in transit or lost or for any reason returned undelivered or not received by a voter, the Returning Officer may, if he is satisfied with the reasons given for such damaged, loss return or non-receipt reissue them by registered post or deliver them or cause them to be delivered to the voter, as the case be, on his applying for the same in writing.

87D. Presence of candidates or their authorised representatives at a polling booth or at the place of counting of votes

A contesting candidate shall be entitled to be presents in presence of person or to be represented by another member duly authorised by him in writing at any polling booth in the relevant regional constituency or the place of the counting of the votes, provided that a letter of authority is deposited with the Polling Officer or the Returning Officer before the time fixed for polling or for counting of Votes, as the case may be, and that officer is satisfied as to be genuineness of the letter of authority and the identity of the authorised representative.

87E. Appointment of assistants and scrutineers

(1) The Returning Officer may appoint such persons as he thinks fit to assist him for any purpose in the conduct of election.

(2) The Returning Officer may also appoint a panel of two or more persons who are neither members of the council nor candidates for election, to act as scrutineers of the ballot papers and to assist him generally in the counting of votes.

87F. Intimation of place, time and date for counting of votes

The Returning Officer shall at least fifteen days before date or the first of the dates of polling, intimate in writing to all contesting candidates the date and time at which the counting of votes shall commence at the headquarters of the Institute.

87G. Definitions

In this Chapter, unless the context otherwise requires:

(i) "continuing candidate" means any candidate not elected and not excluded from the poll at any given time;

(ii) "count" means-

(a) all the operations involved in the counting of the first preferences recorded for candidates;

or

(b) all the operations involved in the transfer of the surplus of an elected candidate; or

(c) all the operations involved in the transfer of the total value of votes of an excluded candidate;

(iii) "exhausted paper" means a ballot paper on which no further preference is recorded for a continuing candidate, provided that a paper shall also be deemed to have become exhausted whenever-

(a) the names of two or more candidates, whether continuing or not, are marked with the same figures and are next in order of preference; or

(b) the name of the candidate next in order of preference, whether continuing or not, is marked by a figure (number) not following consecutively some other figure on the ballot paper or by two or more figures;

(iv) "first preference" means the figure (number) 1 set opposite the name of a candidate; "second preference" means the figure (number) 2

set opposite the name of a candidate; "third preference" means the figure (number) 3 set opposite the name of a candidate and so on;

(v) "original vote" in relation to any candidate, means a vote derived from a ballot on which a first preference is recorded, for such a candidate;

(vi) "surplus" means the number by which the value of the votes, original and transferred, of any candidate exceeds the quota;

(vii) "transferred vote", in relation to any candidate, means a vote, the value or the part of the value, of which is credited to such candidate and which is derived from a ballot paper on which a second or a subsequent preference is recorded for such candidate; and

(viii) "unexhausted paper" means a ballot paper on which a further preference is recorded for a continuing candidate.

87H. Counting of votes received by post

(1) On the date and at the time and place intimated under Regulation 87F, the Returning Officer shall, for the purpose of counting of votes in respect of a regional constituency, first deal with the postal ballot papers relating to that constituency in the manner hereinafter provided.

(2) The Returning Officer shall allow the candidates or their authorized representatives present at the counting a reasonable opportunity to inspect the cover containing the ballot papers received by post for satisfying themselves that they are in order but shall not allow them to handle those covers.

(3) No covers containing a postal ballot paper received by the Returning Officer after the expiry of the time fixed in that behalf or received by him from a voter whose name has been removed from the register of members on or before the date of poll shall be opened and no vote contained in any such cover shall be counted.

(4) The other covers shall then be taken up by the Returning Officer one by one as each outer cover is taken up, the Returning Officer shall first scrutinise the signature of the voter on that cover in the space provided for that purpose.

(5) No outer cover on which the signature of the voter is not appended shall be opened and no vote contained in any such cover shall be counted.

(6) At each outer cover which contains the signature of the voter is opened, the Returning Officer shall satisfy himself that the declaration contained therein has been duly made and signed by the voter.

(7) If the said declaration by the voter is not found or has not been duly made or signed by him or is otherwise substantially defective or any paper other than the inner cover and the ballot paper is not found, the Returning Officer shall reject his ballot papers and make appropriate endorsements of the outer and inner covers and on the ballot paper if it is found without the inner cover.

(8) The inner cover of the ballot paper so endorsed shall be replaced in the outer cover and all such covers shall be kept in a separate packet which shall be sealed and on which the name of the regional constituency, the date of counting and a brief description of its contents shall be recorded.

(9) The inner covers not already dealt with under the foregoing provisions of this regulation shall then be opened one after the other and the Returning Officer shall take out the ballot paper from each cover and shall record the number thereof in a statement and shall make a separate packet of these ballot papers.

87-I Scrutiny and opening of ballot boxes

(1) The Returning Officer shall thereafter deal with the ballot papers contained in the ballot boxes in the manner hereinafter provided.

(2) Before any ballot box is opened, the Returning Officer shall allow the candidates or their authorised representatives present at the counting, a reasonable opportunity to inspect the ballot boxes and packages received from the Polling Officers and the seals thereof for satisfying themselves that they are in order, but shall not allow them to handle those ballot boxes or packets.

(3) The Returning Officer shall be also satisfy himself that none of the ballot boxes is in fact tampered with and if he finds that any of the ballot boxes has been tampered with, shall not count the ballot papers contained in such box and shall keep the record of such ballot papers for the purpose of election petition, if any.

(4) The ballot boxes found to be in order shall be opened and the ballot papers shall be taken out from them and shall be counted and the number thereof recorded in a statement.

(5) The ballot papers received by post and kept in a packet referred to in sub-regulation (9) or Regulation 87H shall then be mixed with the ballot papers taken out of the ballot boxes and taken up for scrutiny so as to determine their validity or otherwise.

87J. Grounds for declaring ballot papers invalid

A ballot paper shall be invalid-

- (a) if a voter signs his name or writes any word or figure upon it (other than those permitted under Regulation 86) or makes any mark upon it by which the ballot paper becomes recognizable or by which the voter can be identified;
- (b) if it does not bear the emblem of the Institute;
- (c) if the number, 1 is not marked on it;
- (d) if the number 1 is set opposite the name of more than one candidate;
- (e) if the number 1 and some other numbers are put opposite the name of the same candidate;
- (f) if it is a spurious ballot paper for uncertainty; or

(g) it is a spurious ballot paper or is so damaged or mutilated that its identity as a genuine ballot paper cannot be established.

87K. Arrangement of valid ballot papers in parcels

(1) The Returning Officer shall separate the ballot papers which he deems valid from those which he rejects endorsing on each of the latter the word "Rejected" and the ground of rejection.

(2) After rejecting the ballot papers which are invalid, the Returning Officer shall-

(a) arrange the remaining ballot papers in parcels according to the first preference recorded for each candidate;

(b) count and record the number of papers in each parcel and the total number; and

(c) credit to each candidate the value of the papers in his parcel.

87L. Ascertainment of quota

Every valid ballot paper shall be deemed to be of the value of one hundred, and the quota sufficient to secure the return of a candidate at the election shall be determined as follows:

(a) add the values credited to all the candidates under clause (c) of sub-regulation (2) of Regulation 87k;

(b) divide the total by a number which exceeds by one the number of vacancies to filled; and

(c) add one to the quotient ignoring the remainder, if any, and the resulting number is the quota.

87M. General Instruction

In carrying out the provisions of Regulations 87N to 87R, the Returning Officer shall disregard all fractions and ignore all preferences recorded for candidates already elected or excluded from the poll.

87N. Candidates with quota elected

If at the end of any count or at the end of the transfer of any parcel or sub-parcel of an excluded candidate, the value of ballot papers credited to a candidate is equal to, or greater than the quota, the candidate shall be declared elected.

87O. Transfer of Surplus

(1) if at the end of any count the value of the ballot papers credited to a candidate is greater than the quota, the surplus shall be transferred in accordance with the provisions of this regulation to the continuing candidates indicated on the ballot papers of that candidate as being next in order of the elector's preference.

(2) If more than one candidate have a surplus, the largest surplus shall be dealt with first and the others in order of magnitude:

Provide that every surplus arising on the first count shall be dealt with before those arising on the second count and so on

(3) Where there are more surpluses than one to distribute and two or more surpluses are equal, regard shall be had to the original votes of each candidate and the candidate for whom most original votes are recorded shall have his surplus first distributed; and if the values of their original votes are equal, the Returning Officer shall decide by lot which candidate shall have his surplus first distributed.

(4) (a) If the surplus of any candidate to be transferred arises from original votes only. The Returning Officer shall examine all the papers in the parcel belonging to that candidate, divide the unexhausted papers into sub-parcels according to the next preference recorded thereon and make a separate sub-paragraph of the exhausted papers.

(b) He shall ascertain the values of the papers in each sub-paragraph and of all the unexhausted papers.

(c) If the value of the unexhausted papers is equal to or less than the surplus, he shall transfer all the unexhausted papers at the value at which they were received by the candidate whose surplus is being transferred.

(d) If the value of the unexhausted papers is greater than the surplus, he shall transfer the sub-parcels of unexhausted papers and the value at which each paper shall be transferred shall be ascertained by dividing the surplus by the total number of unexhausted papers .

(5) If the surplus of any candidate to be transferred arises from transferred as well as original votes, the Returning Officer shall re-examine all the papers in the Sub-paragraph last transferred to the candidate, divide the unexhausted papers into sub-parcels according to the next preference recorded thereon, and then deal with the sub-parcels in the same manner as is provided in the case of sub-parcels referred to in sub-regulation (4).

(6) The papers transferred to each candidate shall be added in the form of a sub-paragraph to the papers already belonging to such candidate.

(7) All papers in the parcel or sub-paragraph of an elected candidate not transferred under this regulation shall be set apart as finally dealt with.

87P. Exclusion of candidates lowest on the poll

(1) If after all surpluses have been transferred as herein before provided, the number of candidates elected is less than the required number, the Returning Officer shall exclude from the poll the candidate lowest on the poll and shall distribute his unexhausted papers amongst the continuing candidate according to the next preference recorded thereon and any exhausted paper shall be set apart as finally dealt with.

(2) The papers containing original votes of an excluded candidate shall first be transferred, the transfer value of each paper being one hundred.

(3) The papers containing transferred votes of an excluded candidate shall then be transferred in the order of the transfers in which and at the value at which, he obtained them.

(4) Each of such transfer shall be deemed to be a separate transfer but not a separate count.

(5) If, as a result of the transfer of papers, the value of votes obtained by a candidate is equal to or greater than the quota the count the proceeding shall be completed but no further papers shall be transferred to him.

(6) The process directed by this rule shall be repeated on the successive exclusion one after another of the candidates lowest on the poll until such vacancy is filled either by the election of a candidate with the quota or as herein after provided.

(7) If at any time it becomes necessary to exclude a candidate and two or more candidates have the same value of votes and are the lowest on the poll regard shall be had to the original votes of each candidate and the candidate for whom fewest original votes are recorded shall be excluded and if the values of their original votes are equal the candidate with the smallest value at the earliest count at which these candidates had unequal values shall be excluded.

(8) If two or more candidates are lowest on the poll and each has the same value of votes at all counts, the Returning Officer shall decide by lot which candidate shall be excluded.

87Q. Filling the last vacancies

(1) When at the end of any count the number of continuing candidates is reduced to the number of vacancies remaining unfilled the continuing candidates shall be declared elected.

(2) When at the end of any count only one vacancy remains unfilled and the value of papers of some one candidate exceed the total value of the papers of all the continuing candidates together with any surplus not transferred that candidate shall be declared elected.

(3) When at the end of any count only one vacancy remains unfilled and there are only two continuing candidates and each of them has the same value of votes and no surplus remains capable of transfer, the Returning Officer shall decide by lot which of them shall be excluded; and after excluding him in the manner aforesaid, declare the other candidate to be elected.

87R. Provision for re-counts

(1) Any candidate or, in his absence his authorised representative may, at any time during the counting of the votes either before the commencement or after the completion of any transfer of votes (whether surplus or otherwise) request the Returning Officer to re-examine and re-count the papers of all or any candidates (not being papers set aside at any previous transfer as finally dealt with) and the

Returning Officer shall forthwith re-examine and re-count the same accordingly.

(2) The Returning Officer may in his discretion re-count the votes either once or more than once in any case in which he is not satisfied as to the accuracy of any previous count:

Provided that nothing in this sub-regulation shall make it obligatory on the Returning Officer to re-count the same votes more than once.

87S. Declaration of results

The name of the candidates elected shall be declared on the date fixed for declaration of results and shall be communicated individually to all candidates who stood for election by registered post and shall also be notified in the Journal.

87T. Election not to be invalid due to accidental omission etc.

No election shall be deemed to be invalid merely by reason of any accidental irregularity or informality in the conduct of the election, including accidental omission to send or delay in sending the voting paper to a voter or the accidental non receipt of, delay in receipt of voting paper, by a voter.

87U. Decision of the Returning Officer to be final

The decision of the Returning Officer pertaining to conduct of election shall, subject to Regulation 87V, be final not only in respect of all matters concerning the interpretation of these regulations but also in respect of the procedures adopted and not specifically covered by these regulations.

87V. Dispute on election matters

(1) An application by any aggrieved candidate against the decision of the panel on the validity of nominations or the Returning Officer on the declaration of election results, or any other matter relating to or incidental thereto, which is material to the conduct of election shall be made to the Council within thirty days from the date of declaration of the results of an election and the Council shall refer the dispute to a Tribunal appointed by the Central Government under Sub-section (2) of Section 10.

(2) At the time of giving its decision, the Tribunal may pass such order as to costs as it may consider appropriate.

(3) If the Tribunal is satisfied that an application made under Sub-section (2) of Section 10 was frivolous or not founded on any valid ground, it may award costs to the Council.

87W. Disciplinary action against member in connection with the conduct of election

(1) A member shall be liable to disciplinary action by the Council if, in connection with an election to the Council of the Institute, he is found to have contravened the provisions of all or any of the clauses (a), (b), (c), (d), (e), or (f), of sub-regulation(2).

(2) A candidate can issue one circular letter giving positive aspects of his candidature including his qualifications and contributions to the profession. The circular issued in connection with an election to the Council shall conform to the following requirements or guidelines as may be issued by the Council in respect of the election in the interests of maintaining dignity in the election, namely:-

- (a) such circular must be sent by registered post by the candidate to the Secretary by name for information and record within ten days of its issue by him to voters;
- (b) the circular shall contain factual information regarding the candidate himself and shall not make any reference directly or indirectly, to any other candidate;
- (c) the information which a candidate may furnish in circular regarding himself shall not differ in any material respect from the information furnished by the candidate to the Institute;
- (d) a circular shall not contain any appeal to the voters on the basis of casts, or on communal, regional or sectional lines;
- (e) the distribution of circular shall be restricted only to the members of the constituency concerned;
- (f) a circular shall be issued by a candidate only after his nomination has been accepted.

Explanation: For the purpose of this sub-regulation, the term "Circular" does not include a personal letter addressed to an individual which happens to contain a mere request for Vote though if a similar letter were to be sent to a number of voters, it would amount to "circular".

(3) A member shall liable to disciplinary action by the Council, if he adopts one or more of the following practices with regard to the election to the Council, namely:-

- (a) bribery, that is to say, any gift, offer or promise of any gift or gratification to any person, by a candidate or any other person with his connivance with the object, directly or indirectly, of-
 - (i) inducing a member to stand or not to stand as a candidate for election
 - (ii) inducing a candidate to withdraw his candidature or rewarding such withdrawal; or
 - (iii) inducing a voter to vote or not to vote at an election, or as a reward for such act or omission.

Explanation: For the purpose of this sub-regulation, the term "gratification" is not restricted to pecuniary gratification or gratification estimable and all forms of employment for reward, but it does not include the payment of any expenses bona fide incurred at or for the purpose of any election;

Chapter X

Meetings and Proceedings of the Council

88. Meetings of the Council

The Council shall meet at least once in every three months at such time and place as the Council may determine.

Provided that if the Council does not fix the date or place or the circumstances so warrant, the President may fix.

89. Special meeting of Council

A special meeting of the Council may at any time be

-
- (b) undue influence, that is to say, any direct or indirect interference or attempt to interfere on the part of a candidate or of any other person, with his connivance with the free exercise of any electoral right;
 - (c) the publication by a candidate or by any other person with his connivance, of any statement which is false or which he either believes to be false or does not believe it to be true, in relation to the personal character or conduct of any candidate, or in relation to the candidature or withdrawal of any candidate, being a statement reasonably calculated to prejudice the prospects of that candidate's election;
 - (d) the obtaining or procuring or abetting, or attempting to obtain or procure, by any other person with his connivance, any assistance for the furtherance of the prospects of the candidate's election from any person serving under the Government of India or the Government of any State other than the giving of vote by such person, if he is a member entitled to vote;
 - (e) any act specified in sub-regulations (a) to (d) when done by a member, who is not a candidate or a member acting with the connivance of a candidate;
 - (f) the receipt by a member or an agreement by a member to receive any gratification as an inducement or reward:
 - (i) for standing or not standing as a candidate;
 - (ii) for withdrawing his candidature;
 - (iii) for himself or any other person for voting or refraining from voting;
 - (iv) for inducing or attempting to induce any voter or to refrain from voting; or
 - (v) for inducing or attempting to induce any candidate to withdraw his candidature.
 - (g) Contravention or misuse of any of the provisions of this chapter of making of any false statement knowing it to be false or without knowing it to be true, while complying with any of the provisions of this chapter.]

called by the President or in his absence by the Vice-President or at the request in writing addressed to the Secretary by not less than one-fourth of the members of the Council for the time being.

90. Notice of Council meeting

(1) Notice of the time and place of every meeting shall be sent to the registered address of every member of the Council ordinarily not less than seven days before such meeting and such notice shall, so far as practicable, contain a statement of the business to be transacted thereof, provided that in the case of a special meeting, the President may inform the members at the meeting of the subject matter for discussion.

(2) Notwithstanding anything contained in sub-regulation (1) a special meeting called under Regulation 89 may be convened giving such shorter notice as circumstances may permit.

91. Advancement or postponement of meetings

Any meeting of the Council, convened to be held at a particular date or dates, may be advanced or postponed by the President to a specific date or dates, not exceeding thirty days from the date originally determined for the meeting, if in his opinion such advancement or postponement is warranted, which may also include change of time and place of the meeting. Notice of changes of such a meeting shall be sent to the registered addresses of every member of the Council not less than five days before the date fixed for the advanced meeting or before holding of the postponed meeting. The business to be transacted at that meeting shall be the same as was intended for the original meeting unless, any other business is admitted by the Chairman at that meeting.

92. Chairman of the Council

At all meetings of the Council, the President, and in his absence the Vice-President shall be the Chairman; in the absence of both, the members present shall elect one of the their number to be the Chairman of meeting.

Provided that, at the first meeting of any Council the President of the outgoing Council, or in his absence its Vice-

President, shall act as the Chairman until such time a President is elected under the provisions of Sub-section (1) of Section 12.

Provided further that in the absence of both the President and the Vice president of the outgoing Council the members of the Council present shall elect one of the member to be the Chairman of the meeting until such time a President is elected under the provisions of Sub-section (1) Section 12.

93. Quorum for meetings

(1) Not less than one-third of the total number of members of the Council for the time being shall constitute the quorum for a meeting, fraction being treated as a whole number for this purpose.

(2) If a quorum is not present within half an hour from the time appointed for the meeting the same shall be adjourned to such other date, time and place as the President may appoint and at the adjourned meeting the members present shall constitute the quorum to transact the business intended to be transacted at the original meeting.

94. Voting on resolution at a meeting and casting vote

At all meetings of the Council, in the event of a difference of opinion on any matters the vote of the majority shall prevail unless otherwise required by the Act or these regulations, and in the case of equality of votes, the Chairman shall have a casting vote in addition to his original vote.

95. Adjournment of meeting of the Council

(1) Subject to the provisions of these regulations, the Chairman of any meeting of the Council, may, with the consent of the members present at meeting, adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place unless not less than five days notice of any other business to be transacted at such adjourned meeting has been given to the members.

(2) If no new business is intended to be transacted at an adjourned meeting unless it is so directed in the resolution for adjournment of a meeting, no notice need to be given of an

adjourned meeting.

96. Record of minutes

Minutes shall be kept of all resolutions and proceedings of the meetings of the Council and its Committees which shall be approved and signed by the Chairman of the same or the Chairman of the next meeting.

97. Passing of resolution by circulation

(1) The Secretary may on the instruction of the President, in emergent circumstances, circulate a resolution together with all relevant papers to the members of the Council for decision of any question.

Provided that, where not less than one-fourth members of the Council for the time being require that any resolution under circulation should be decided at a meeting, the President shall withdraw the resolution from circulation and have the question decided at a meeting of the Council.

(2) No decision shall be arrived at on any resolution circulated among the members of the Council before the expiry of ten days from the date of circulation of the resolution or before the receipt of the response from all the members for the time being in India, whichever is earlier.

(3) Every resolution passed by circulation by a majority of members out of those who respond to the resolution shall be communicated to all the members of the Council and recorded in the minutes of the meeting of the Council held immediately after the passing of the solution by circulation.

Chapter XI

Standing and other Committees

⁹²98. Constitution of Standing and other Committees

92 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

"98. Constitution of Standing and other Committees

(1) Committees

(1) In pursuance of the provisions contained in Sub-section (1) of Section 17, the Council shall constitute three Standing Committees, namely :-

- (a) An Executive Committee,
- (b) A Finance Committee, and
- (c) An Examination Committee.

(2) The Standing Committees shall at all times function under the control, direction and supervision of the Council.

(3) The Council may constitute other Committees including a Training and Educational Facilities Committee and Professional Research and Publications Committee in accordance with the provisions of Sub-sections (2) and (6) of Section 17 of the Act.

(4) The Secretary of the Institute shall be the Secretary of every Standing Committee.

(5) The Secretary shall maintain a record of all the business transacted by a Committee either by circulation of papers or by meeting of the Committee.]

In pursuance of the provisions contained in Section 17, the Council shall constitute three Standing Committees and may constitute such other Committees from time to time, as under:

- (a) Standing Committees
 1. Executive Committee
 2. Examination Committee
 3. Disciplinary Committee
- (b) Other Committees
 4. Training and Education Facilities Committee
 5. Professional Research and Publications Committee
 6. Journal Committee
 7. Professional Development Committee
 8. Any other Committees as may be required.

(2) Secretary to Committees

The Secretary of the Institute shall be the Secretary to each Committee, unless the Council otherwise directs.

(3) Maintenance of minutes of Committees

The Secretary shall maintain a record of all the business transacted by a Committee either by circulation of papers or by meeting of the Committee.

⁹³99. Executive Committee

(1) The Executive Committee shall perform the following functions, namely :-

- (a) enrolment of members with or without certificate of practice, admission of fellows, removal and restoration of names of members, issue and cancellation of certificate of practice, issue of certificates of membership, prosecution of members on the findings of the Council, granting exemption to company secretary in practice or firms of such company secretaries from the operation of Sub-section (1) of Section 37 of the Act and publication of the list of members;
- (b) grant of permission to a company secretary in

93 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

Executive Committee

The Executive Committee shall perform the following functions namely:

- (a) maintenance of the Office of the Council and for this purpose employ, suspend, discharge or re-employ the necessary staff in such terms and conditions as it may deem fit;
- (b) maintenance of proper accounts of all receipts and payments on behalf of the Council and the matters in respect of which such receipts and payments take place and of the property, securities, debts, funds and liabilities of the Institute;
- (c) maintenance of the Register and any other register required to be maintained under these regulations pertaining to the members of the Institute;
- (d) control and custody of the property, assets and funds of the Institute;
- (e) investment of the surplus funds of the Institute in any government security or other securities as approved by the Central Government and to vary such investments from time to time;
- (f) disbursements from the funds of the Institute for expenditure, both revenue and capital, within the estimate previously sanctioned by the Committee but such excess expenditure shall be brought to the notice of the Council at its next meeting;

Provided that in emergent cases, expenditure in excess of the estimate previously sanctioned by the Council may be incurred by the Council at its next meeting;

practice to engage in any business or occupation other than the profession of company secretary in accordance with, and subject to, the restrictions specified in this behalf by the Council;

- (c) condone the delay in supplying requisite information under Regulation 165;
- (d) maintenance of the Register of members and all other statutory registers which are prescribed by the Act or these regulations;
- (e) control and custody of the property, assets and funds of the Institute;
- (f) maintenance of office of the Council and for this purpose the Executive Committee may employ, suspend, discharge or re-employ the necessary staff on such terms and conditions as it may deem fit;
- (g) according approval, on recommendation of the Finance Committee, to the likely expenditure upto twenty percent in excess of the estimates previously sanctioned by the Council in the respective heads of the annual budget :

Provided that where the Executive Committee does not agree with the recommendation of the Finance Committee, the matter shall be decided by the Council.

- (h) any other functions which may be entrusted to it by the Council from time to time.

(2) The Council shall have the power to review any decision taken by the Executive Committee in the performance of the functions assigned to it.]

100. Examination Committee

(g) admission of members, removal and restoration of names of members, issue and cancellation of certificates of practice, issue of certificates of membership, prosecution of members on the findings of the Council, exempting any Company Secretary in practice or a firm of Company Secretary referred to in Sub-section (1) of Section 37 having a branch Office in India without being in separate charge of a member of the Institute and publication of list of members; and

(h) any other functions which may be entrusted to it by the Council from time to time.

The Examination Committee shall perform the following functions, namely:

- (a) holding of the examinations and admission of candidates thereto, determination of examination centres, appointments of superintendents of examinations and others for each center and fixation of their remuneration thereto, moderation of question papers and results, declaration of results and all connected matters in regard to holding of examinations;
- (b) maintenance of lists of approved paper setters, examiners and moderators for appointment at each examination to set up or moderate question papers and to value or moderate answer books and fixation of their remuneration thereto.
- (c) maintenance of proper discipline in relation to the Institute of all registered students, licentiates and candidates enrolled for the examination;
- (d) maintenance of proper standard and conduct of examinations in general;
- (e) framing of such schemes for award of merit scholarship, Merit-cum-means assistance, prize, award and loans to students pursuing Foundation, Intermediate and Final examinations conducted by the Institute as it deems fit and determining the amount, period, number of students to be awarded scholarships, assistance or loans for each examination criteria for merit or prize awards, concession for payment of fees by students, and such other requirements for the operation of the scheme for the purpose of granting financial assistance under clause (1) of Sub-section (2) of Section 15; and
- (f) any other matter with regard to conduct of examination as may be entrusted to it by the Council from time to time.

101. Disciplinary Committee

⁹⁴[Applicable to the complaint or information pending before the Council or any inquiry initiated by the Disciplinary Committee or any reference or appeal made to a High Court prior to 17.11.2006.]

(1) The Disciplinary Committee shall perform the functions relating to enquiry of all complaints and information against members of the Institute, conduct of all enquiries in regard to misconduct of members and submit its reports to the Council as referred to it from time to time by the Council in accordance with the procedure as prescribed in the Act and these regulations.

(2) It shall have power to regulate its procedure in such manner as it considers necessary from time to time.

⁷¹**101A. Finance Committee**

(1) The Finance Committee shall control, implement and supervise the activities related with and incidental to the following areas, namely :-

- (a) maintenance of true and correct accounts of all the receipts and payments on behalf of the Council and the matters in respect of which such receipts and payments take place and all of the property, securities, debts, funds and liabilities of the Institute;
- (b) formulation of annual budget of the Institute and presenting it to the Council for approval, after obtaining the recommendation of the Executive Committee;
- (c) control of funds of the Institute;
- (d) investment of the funds of the Institute in securities and to vary such investments from time to time subject to the guidelines approved by the Council;
- (e) disbursements from the funds of the Institute for expenditure, both revenue and capital, based on the estimates previously sanctioned by the Council :

⁹⁴ Inserted by the Company Secretaries (Amendment) Regulations, 2010. Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

Provided that expenditure in excess of the estimates previously sanctioned by the Council may be incurred with the recommendation of the Executive Committee, wherever considered expedient, but such excess expenditure shall be brought to the notice of the Council at its next meeting;

- (f) making recommendation to the Executive Committee for sanction of likely expenditure upto twenty percent in excess of the estimates previously sanctioned by the Council for the respective heads of the annual budget;
- (g) overseeing the Institute's financial reporting process and the disclosure of its financial information;
- (h) reviewing with the Secretariat, Statutory and Internal Auditors, the adequacy of internal control systems;
- (i) reviewing the adequacy of internal audit function, including the structure of the internal audit;
- (j) reviewing the internal reports and any discussion with the internal auditor and significant findings and follow up there on;
- (k) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Council;
- (l) discussing with Statutory Auditors of the nature and scope of audit and hold post-audit discussions to ascertain any area of concern.

(2) The Council shall have the power to review any decision taken by the Finance Committee in the performance of the functions delegated to it.]

102. Training and Educational Facilities Committee

The Training and Educational Facilities Committee shall perform the following functions, namely:

- (a) registration of students and enrolment of licentiates;
- (b) maintenance of the Register of students and such other registers as may be necessary;

- (c) provision of proper facilities to registered students to obtain coaching in the subjects in which they are to be examined;
- (d) arrangements for the training of candidates sent by any Department of the Central or any State Government Chambers of Commerce, or any other public or private organizations and to do all things in connection therewith;
- (e) purchase of books, magazines, equipment and the like for the library and arranging for its proper running and maintenance;
- (f) suggesting to the Council from time to time modification to the existing syllabus for the qualifying examinations of the Institute and recommending suitable books for the guidance of students;
- (g) obtaining recognition to the qualifying examinations of the Institute from the government public, bodies, universities and other authorities for various purposes and to recommend to the Council paperwise exemption from appearing in the Institute's examinations for other recognized qualifications on mutually agreed basis or otherwise;
- (h) approving organisations and practising Company Secretaries for imparting practical training to students who pass the qualifying examinations and to evaluate practical training requirements from time to time;
- (i) framing of such procedure and guidelines necessary for purposes of clause (k) of Sub-section (2) of Section 15 for maintenance of libraries set up by the Institute;
- (j) to recognise qualifications as equivalent to the degree examination of any university for the purpose of enrolment to the Foundation examination under Regulation 37;
- (k) to recognise diploma in commerce, law, secretarial practice or management disciplines awarded by any government, university, professional or educational institution for the purpose of sub-regulation (vi) of

Regulation 38 and any other qualification as equivalent to the qualifications specified in Regulation for the purpose of exemption from the Foundation examination;

- (l) any other matter with regard to education and training facilities to be provided to students in general, as may be entrusted to it by the Council from time to time.

103. Professional Research and Publication Committee

The Professional Research and Publication Committee shall perform the following functions, namely:

- (a) framing of such research schemes as it deems necessary for carrying out research work on subjects of relevance or of interest, to the profession of Company Secretaries;
- (b) granting of financial assistance to persons other than members of the Council and giving guidance in and encouragement for research by members and others in such matters of interest to Company Secretaries like interpretation, application and compliances of all laws, rules and regulations affecting the working of the corporate sector; evolving of secretarial practice in relation to all economic and corporate laws, principles and practice of corporate and other management, financial accounting, costing and management accounting for purpose of clause (j) of Sub-section (2) of Section 15;
- (c) publication of research pamphlets and other literature or arranging for such publications subject to the approval of the Council, on subjects specified in sub-regulation (b) above, for purposes of clause (k) of Sub-section (2) of Section 15;
- (d) making recommendations to the Council on any or all matters relating to research and publications;
- (e) engagement of research personnel subject to the sanction of the Council in case of remunerated posts;
- (f) incurring expenses within the limit previously sanctioned by the Council for the performance of the

above functions; and

- (g) carrying out such other functions as may be entrusted to it from time to time by the Council.

104. Journal Committee

Omitted.⁹⁵

105. Professional Development Committee

The Professional Development Committee shall perform the following function namely:

- (a) keeping in constant touch with the various professional and public bodies including Central and State Governments with a view to furthering the esteem of the profession of Company Secretaries;
- (b) making representations to the Central and State Government in connection with professional matters with a view to raising the standard and status of the profession;
- (c) organizing on its own or in collaboration with other professional bodies and management development institutions or through Regional Councils or Chapters various professional development programmes including meetings, talks and lectures, regional conferences, seminars, symposia and annual conventions for the acquisition and dissemination of professional knowledge to the members and others and to determine the fees to be charged for participation in such professional development programmes;
- (d) propagating amongst the members of the Institute the advisability and the necessity of observing the rules of professional conduct;

⁹⁵ Omitted by the Company Secretaries (Amendment) Regulation, 2010. Notification No. 531:Legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4 dated 26.07.2010 :

"104. Journal Committee

The Journal Committee shall perform all functions for the publication of the journal, and for the maintenance of proper standard and quality thereof."

- (e) publishing and circulating secretarial manual and other books on matters of professional; interest and of practical utility to the members and others except those referred to in clause (c) of Regulation 103;
- (f) publishing and circulating monographs and literature to provide information on the role, scope and utility of the profession of Company Secretaries and the Institute;
- (g) offering suggestions to the Central and State Governments for amendment of various Acts, for the greater utilization of the profession;
- (h) obtaining recognition from the Central and State Governments, other statutory and public authorities and institutions on the role of practicing Company Secretaries and promoting and developing by various means the concept of practicing Company Secretaries;
- (i) doing such other things for up-dating the professional knowledge of the members and general upliftment of the status and standard of the profession, and the Institute as may be entrusted to it by the Council from time to time.

106. Council's power to review and to delegate not affected

(1) Nothing in this Chapter shall affect the power of the Council to review the decisions of any Standing or other Committees and to assign them such other duties and functions as it may determine from time to time.

(2) subject to the provisions of the Act, the Council and its Committees shall have power to delegate by resolutions passed at meetings any of their duties and functions to the President, Vice-President or Secretary as they deem necessary and proper for carrying out the activities of the Institute.

107. Time and place of meeting of Committees

(1) The Chairman of a Committee may at any time and shall, on a written requisition by any two members of the

Committee, call a meeting of the Committee.

(2) The meeting of a Committee shall be held at such place and such time as its Chairman may direct.

(3) A notice of not less than five days of every such meeting shall ordinarily be given to every member of the Committee.

(4) Any meeting of a Committee which is called to be held on a particular date or dates may be postponed by the Chairman of the Committee to a subsequent date or dates if in his opinion such postponement is warranted which may also include change of time and place of the meeting. Notice of the postponed meeting shall ordinarily be sent not less than five days before such postponed meeting to the registered address of every member of the Committee. The business to be transacted at the postponed meeting shall be the same as was intended for the original meeting unless any other business is admitted by the Chairman of the postponed meeting.

108. Quorum

No business shall be transacted at a meeting of a Committee unless there are present at least three members in the case of the Executive Committee, and two members in other cases, including the Chairman, provided that in the case of Committees formed under Sub-section (2) of Section 17, the Council shall determine the quorum for the Committee. In the event of there being no quorum within half an hour of the time fixed for the meeting, the meeting shall adjourned to a date, time and place as may be specified by the Chairman of the Committee.

Provided that, if at the adjourned meeting of the Committee also, quorum is not present, the member or members present at such adjourned meeting shall constitute the quorum to transact the business intended to be transacted at the original meeting.

109. Procedure for transaction of business

(1) The business of a Committee shall ordinarily be

transacted at a meeting of Committee, provided that the Chairman may in emergent circumstances, authorize circulation of resolution with relevant papers among the members of the Committee for decision on any question.

Provided further that, where not less than two members of the Committee require that any resolution under circulation should be decided at a meeting the Chairman shall withdraw the resolution from circulation and have the question decided at a meeting of the Committee.

(2) No decision shall ordinarily be arrived at on any resolution circulated among the members of the Committee before the expiry of seven days from the date of circulation of the resolution or before the receipt of response from all the members of the Committee for the time being in India, whichever is earlier.

(3) Every resolution passed by circulation of papers by a majority of the members of the Committee shall be communicated to all the members and shall be recorded in the minutes of the meeting held immediately after passing of the resolution by circulation.

110. Casting vote

All questions before a Committee shall be decided by a majority in the case of difference of opinion on any matter. In the event of equality of votes, the Chairman shall have a casting vote in addition to his original vote.

Chapter XII Regional Councils

111. Constitution of regional Councils

(1) The Council may by notification in the journal constitute a Regional Council for any regional constituency that may be notified by the Central Government under clause (a) of Sub-section (2) of Section 9 which shall be known by such name as may be specified by the Council

(2) A Regional Council shall consist of:

- (a) the elected members of the Council whose professional addresses are born on the Register in the regional constituency;
- (b) members as may be elected from the region as provided in sub-regulations (1) and (2) of Regulation 115; and
- (c) members as may be co-opted as provided in sub-regulation (3) of Regulation 115.

112. Regional register of members

(1) Every regional Council shall maintain a regional register of members in which shall be entered the names and other particulars of all the members of the Institute whose professional addresses are borne on the Register in the regional constituency.

(2) The name of a member, which has been removed from or restored to the Register, shall *ipso facto* stand removed from or restored to the regional register of members.

113. Functions of the regional councils

(i) The Regional Councils shall advise and assist the council in carrying out the provisions of the Act.

(ii) in particular and without prejudice to the generality of the foregoing, the Regional Council may—

- (a) provide facilities for the members and students of the Institute in its region for regular meetings, talks and lectures and for the acquisition and dissemination of useful information and updating of professional knowledge on subjects of interest to the profession of Company Secretaries;
- (b) advise the Council on all matters referred to it by the Council and offer such other help as may be required.
- (c) make representations to the Council in connection with matter of professional and business interest and offer suggestions for raising the standard and status of the profession;

- (d) ⁹⁶[x x x x x x]
- (e) ^{96a}[x x x x x x]
- (f) propagate among the members the advisability of and the necessity for observing the rules of professional conduct, etiquette and the provisions of the Act and these regulations;
- (g) ^{96ba}[x x x x x x]
- (h) ^{96c}[x x x x x x]
- (i) ^{96d}[x x x x x x]
- (j) arrange, if desired by the council, for coaching, for candidates for the examinations of the Institute and charge such fees as may be directed by the council;
- (k) ⁹⁷[x x x x x x]

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- 96 The following clauses were omitted by the Company Secretaries (Amendment) Regulations, 1985. Notification No. 710:2:(M)(1), published in the Gazette of India, Extraordinary, dated 30.12.85.
 [(d) maintain a regional register of members and register of students in the region as may be necessary;]
 [(e) supply information to members, students or to the prospective candidates for examination;]
 [(g) collect news and articles from the members, on subject of interest to the profession for publication in the Journal;]
 [(h) recommend on its own, or on a reference by the Council, names for inclusion in the panel of examiners;]
 [(i) recommend to the Council books which may be useful for candidates intending to appear for the examinations of the Institute;]
- 97 The following clauses were omitted by the Company Secretaries (Amendment) Regulations, 1985. Notification No. 710:2:(M)(1), published in the Gazette of India: Extraordinary, dated 30.12.85.
 [(k) maintain contact with the various departments of the Governments of the States, universities and other public bodies within the region with a view to enlisting their support in the furtherance of the object of the Institute;]
 [(n) maintain a library and reading-room for the use of the members and students and charge such fees and deposits for leading of books as it deems necessary;]

- (l) organize study circles, refresher courses, symposia, seminars, regional conferences and other professional development programmes for the benefit of the members and students of the Institute and others and charge from them such fees as it deems necessary;
- (m) constitute a permanent Research Sub-committee for carrying out research work and for giving guidance in and encouragement for research by members in various fields of interest to the profession;
- (n) ^{97a}[x x x x x x]
- (o) ^{97b}[x x x x x x]
- (p) organize a student facilities committee for the benefit of the registered students preparing for the Institute's examination;
- (q) take steps for formation of Chapters in the region in accordance with the guidelines issued by the Council from time to time and to supervise their activities; and
- (r) carry out such other functions as may be entrusted to it from time to time by the Council.

⁹⁸[114. Conduct of elections

[(o) maintain an employment exchange for securing suitable employment for qualified Company Secretaries in the region and finding suitable qualified company secretaries for employment;]

- 98 Substituted by the Company Secretaries (Amendment) Regulations, 2010. Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

Conduct of elections

(1) Except to the extent provided in this chapter the elections to the Regional Councils shall be held by the Council and the regulations in Chapter ix relating to elections to the council shall, apply to elections to the regional Council *mutatis mutandis*.

(2) Notwithstanding anything contained in Regulation 87P as applied by sub-regulation (1) to elections to the Regional Council, the Returning Officer-

(a) shall not exclude from the poll a candidate lowest on the poll at any stage in the counting of votes-

(1) Except to the extent provided in this Chapter, the elections to the Regional Councils shall be held by the Council and the Company Secretaries (Election to the Council) Rules, 2006 shall apply to elections to the Regional Councils *mutatis mutandis* :

(2) Notwithstanding anything contained in Schedule 8 to the Company Secretaries (Election to the Council) Rules, 2006 as applied by sub-regulation (1) to elections to the Regional Council, the Returning Officer –

- (a) shall not exclude from the poll a candidate lowest on the poll at any stage in the counting of votes–
 - (i) if he is a candidate from a State or Union Territory which has one or more reserved seats

(i) if he is a candidate from a State or Union Territory which has one or more reserved seats under sub-regulation (1) of Regulation 115; and

(ii) either he is the sole continuing candidate from that State or Union Territory or the number of continuing candidates including him from that state or Union Territory is equal to or less than the number of seats reserved for that State or Union Territory;

(b) shall exclude the next lowest candidate on the poll and if in the case of that candidate also the provisions of clause (a) are applicable such next candidate lowest on the poll in whose case the said provision of clause (a) are not applicable;

(c) shall declare candidate or candidates not so excluded elected the poll either under cause (a) or clause (b) as elected and shall proceed with the counting for filling the seats remaining to be filled.]

[(3) Where there is no candidate standing for election from any State or Union Territory which has a reserved seat under sub-regulation (1) of Regulation 115 or the number of candidates for election to a Regional Council is less than the number of members to be elected, the vacant seat or seats may or may not be filled up at the discretion of the Council and in case the Council decides that the vacant seat or seats be filled up the same may be filled up by co-option by the regional council from amongst the members entitled to vote in and stand for election to the Regional council in consultation with the previous approval of the Council and the members so co-opted shall hold office for the duration of office of that Regional Council.

(4) Where any dispute arises, regarding any election to a Regional Council, the matter may be referred by the candidate concerned within thirty days from the date of the declaration of the result of the elections, to the President and the decision shall be final.]

under sub-regulation (1) of Regulation 115; and

(ii) he is either the sole continuing candidate from that State or the Union Territory or the number of continuing candidates including him from that State or the Union Territory is equal to or less than the number of seats reserved for that State or the Union territory;

(b) shall exclude the next lowest candidate on the poll and if in the case of that candidate also the provisions of clause (a) are applicable such next candidate lowest on the poll in whose case the said provisions of clause (a) are not applicable;

(c) shall declare candidate or candidates not so excluded elected the poll either under clause (a) or clause (b) as elected and shall proceed with the counting for filling the seats remaining to be filled.

(3) Where there is no candidate standing for election from any State or Union Territory which has a reserved seat under sub-regulation (1) of Regulation 115 or the number of candidates for election to a Regional Council is less than the number of members to be elected, the vacant seat or seats may or may not be filled up at the discretion of the Council and in case the Council decides that the vacant seat or seats be filled up, the same may be filled up by co-option by the Regional Council from amongst the members entitled to vote in and stand for election to the Regional Council in consultation with the previous approval of the Council and the members so co-opted shall hold-office for the duration of office of that Regional Council.

(4) Where any dispute arises regarding any election to a Regional Council, the matter may be referred by the candidate concerned within thirty days from the date of the declaration of the result of the election, to the President and the decision shall be final.]

⁹⁹[115. Representation on the Regional Council

(1) Each Regional Council shall have not less than six and not more than twelve elected members provided that there shall be at least one elected member from each such State or Union Territory as is having, on the date of the issue of the notice referred to in sub-regulation (2), such minimum number of members as may be decided by the Council for each election.

(2) The Council shall publish in the Gazette of India a notice stating the number of persons to be elected to each Regional Council and calling for nominations of candidates for election by a specified date which shall not be less than twenty one days from the date of the publication of the said notice in the Gazette of India. Such notice shall also be displayed for information of members at the offices of each Regional Council.

(3) The Regional Council, as constituted under sub-regulations (1) and (2) of Regulation 111, may, at its first

⁹⁹ Substituted by the Company Secretaries (Amendment) Regulations, 2010. Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

[115. *Representation on the Regional Council*—Each Regional Council shall have not less than six and not more than twelve elected

(1) members provided that there shall be at least one elected member from each such State or Union territory as is having, on the date of the issue of the notice referred to in sub-regulation (2), such minimum number of members as may be decided by the Council for each election.]

(2) The Council shall publish in the journal a notice stating the number of persons to be elected to each Regional Council and calling for nominations of candidates for election by a specified date which shall not be less than fourteen days from the date of the publication of the said notice in the journal. Such notice shall also be displayed for information of members at the offices of each Regional Council.

(3) The Regional Council as constituted under sub-regulations (1) and (2) of Regulation 111 may, at its first meeting, co-opt not more than two persons to represent the interests of commerce, trade and industry and the Central or State government with the 63 [previous] approval of the Council provided that such co-opted persons shall have no right to vote at the meetings of the Regional Council.]

meeting, co-opt not more than two persons to represent the interests of commerce, trade and industry and the Central or State Governments with the [previous] approval of the Council provided that such co-opted persons shall have no right to vote at the meetings of the Regional Council.]

116. Eligibility to vote in and stand for election

¹⁰⁰Omitted.

117. Vacancies

(1) A member of a Regional Council may at any time resign his membership by writing under his hand addressed to the Chairman of the Regional Council and the seat of such member shall become vacant when such resignation is notified in the Journal or when the Regional Council next meets, whichever is earlier.

¹⁰¹[(2) An elected member of a Regional Council who

¹⁰⁰ Omitted by the Company Secretaries (Amendment) Regulation, 1988. Notification No. 531:Legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4 dated 26.07.2010 :

[116. Eligibility to vote in and stand for election

(1) Subject to the other provisions or these regulations; every Associate or Fellow shall be entitled to vote in and stand for election to the Regional Council which according to his professional address he belonged to for at least ninety days prior to the date on which the notification calling for nominations is published.

Provided his entrance fee, annual membership fee and other dues for and in respect of the year previous to that in which the election is held are not in arrears.

Provided further that a member in the region whose name stands removed from the register maintained by the Council [on the date of poll] shall not be eligible either to vote in or stand for the election notwithstanding the fact that his name has been published in the list of voters, and/or list of candidates, as the case may be.

[(2) Every candidate standing for election to the respective Regional Council shall alongwith the nomination papers pay at the headquarter office a fee of not exceeding rupees two thousand five hundred as may be notified by the Council before each election in cash or by demand draft which shall not be refundable under any circumstances except in the event of the rejections of his nomination.]

has been found guilty of any professional or other misconduct and awarded penalty of fine or does not attend three consecutive meetings of the Regional Council or Committee thereof, unless he applies for leave of absence in writing and it is granted for each meeting, shall be deemed to have vacated office from the date of the order or at the conclusion of the third meeting unless he applies for leave of absence in writing and it is granted for each meeting.]

(3) Any vacancy caused by the resignation, death or removal from the Register of an elected member of the Regional Council may be filled by the Regional Council by co-option of another member entitled to vote in and stand for election to the Regional Council with the approval of the President.

(4) if a member of the Regional Council ⁷⁸[including a member of the Council becoming a member of the Regional Council under clause (a) of sub-regulation (2) of Regulation 111] changes his professional address from the regional constituency to which he belonged to at the time of election or co-option, as the case may be, to another regional constituency, such member shall cease to be member of that Regional Council from that date. The vacancy so caused may be filled by the Regional Council by co-option of another member in the same manner as provided in sub-regulation (3).

(5) In the case of a member of a Regional Council being elected to the Council, without prejudice to his right to be represented on the Regional Council under clause (a) of sub-regulation (2) of Regulation 111, he shall cease to be an elected member of the Regional Council and the vacancy thus caused may be filled up by co-options by the Regional Council in the manner set out in sub-regulation (3).

101 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

[(2) An elected member of a Regional Council who does not attend three consecutive meeting of the Regional council or Committees thereof shall be deemed to have vacated office at the conclusion of the third meeting unless he applies for leave of absence in writing and it is granted for each meeting.]

(6) A co-opted member shall hold office as a member of the Regional Council for the duration of office of that Regional Council.

¹⁰²[**118. Duration of office**

(1) The duration of office of the Regional Council shall ordinarily be four years from the date of its constitution, which shall be specified by the Council by a notification in this behalf in the Journal.

(2) On the expiry of the duration of a Regional Council, a new Regional Council shall be constituted in the manner provided in these regulations.]

119. Proceedings of the Regional Council

(1) One-third of the members of the Regional Council for the time being shall constitute the quorum.

¹⁰³[(2) Every Regional Council shall at its first meeting

¹⁰² Substituted by the Company Secretaries (Amendment) Regulations, 2010. Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010, for the following:

Duration of office

(1) The duration of office of a Regional Council shall ordinarily be three years from the date of its constitution, which shall be specified by the Council by a notification in this behalf in the Journal.

Provided that the Council may, if in its opinion circumstances so warrant, extend or shorten the duration of a Regional Council by a like notification.

(2) On the expiry of the duration of a Regional Council a new Regional Council shall be constituted in the manner provided in these regulations.

¹⁰³ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India, Extraordinary, dated 30.12.85 for the following:

[(2) Every Regional Council shall at its first meeting, of the Regional Council after the annual general meeting of the regional constituency, elect from amongst its members a Chairman, Vice-Chairman, a Secretary and a treasurer thereof, and so often as any of those offices become vacant, the Regional Council shall elect another person from amongst its members to hold that office. The said office bearers shall

held after its constitution and in subsequent years at a meeting to be held in December of every year elect from amongst its members a Chairman, a Vice-Chairman, a Secretary and a Treasurer thereof to hold office for a period commencing from the date of its first meeting after constitution or from 1st January of the subsequent year as the case may be, till the 31st December of that year and so often as any of those offices become vacant, the Regional Council shall elect another person from amongst its members to hold the office for the remaining period of a year.]

Provided that the retiring office bearers shall be eligible for re-election to any of the offices of the Regional Council if they continue to be members of the Regional Council.

(3) The first meeting of the Regional Council referred to in sub-regulation (2) shall be called and held within one month from the date of its constitution ¹⁰⁴[* * * * *].

(4) If within half an hour from the time appointed for the said first meeting of the Regional Council referred to hereinbefore, a quorum as mentioned in sub-regulation (1) above is not present, the said first meeting shall notwithstanding anything contained in that Regulation stand adjourned to the same day in the next week at the same time and place and at such adjourned meeting of the Regional Council, the member or members present, shall constitute the quorum and shall have power to transact all the business which could properly have been transacted at the original meeting.

120. Meeting of the Regional Council

The provisions of regulations in respect of meeting of the Council and its Committees shall be applicable to the meeting of the Regional Council and its Committees *mutatis mutandis*.

hold office until the first meeting of the Regional Council immediately following the next annual general meeting of the regional constituency.]

¹⁰⁴ The following was omitted by the Company Secretaries (Amendment) Regulations, 1985, Notification No.710:2(M)(1), published in the Gazette of India: Extraordinary, dated 30.12.85:
[or from the date of the annual general meeting of the regional constituency, As the case may be]

121. Chief executive authority

The Chairman of the Regional Council shall be the chief executive authority of the Regional Council.

122. Functions of the Secretary and the Treasurer

The Secretary of the Regional Council shall be responsible for the performance of general duties of the office of the Regional Council under the direction of the Chairman. The Secretary of the Regional Council may, if there is no Treasurer, act as Treasurer. The Treasurer shall cause proper accounts to be maintained of the moneys received and expended and of the assets and liabilities of the Regional Council.

123. Continuance in office

On the expiry of the duration of the Regional Council, the Chairman, Vice-Chairman Secretary and Treasurer for the time being, shall discharge the duties and functions, respectively of the Chairman, Vice-Chairman, Secretary and Treasurer, as provided in these regulations until such time as the next regional Council is constituted and its Chairman, Vice-Chairman, Secretary and Treasurer are elected under the provisions of these regulations to take over charge of their respective offices.

124. Appointment of staff

Subject to the prior approval of the President, a Regional Council may appoint such staff for its office as it may from time to time consider necessary for the purpose of carrying out its function.

125. Committee of the Regional Council

A Regional Council shall constitute such Committees as the Council may direct and may constitute such other Committees as it deems necessary for the purpose of carrying out the functions entrusted to the Regional Council.

126. Chairman of the Committee

A Regional Council shall nominate a member of a Committee to be its Chairman provided that in the case of any Committee constituted at the direction of the Council, unless otherwise nominated by the Council, the Chairman of

the Regional Council shall be the Chairman.

127. Term of office of Committee

¹⁰⁵[Every member of a committee constituted under Regulation 125 shall hold office until the meeting of the Regional Council to be held in December of every year, but subject to him being a member of the Regional Council, he shall be eligible for re-election to the Committee.

Provided that, a Committee constituted for a specific purpose shall stand dissolved on the completion of the assignment and every member of such a Committee shall hold office until such dissolution.]

128. Finance and accounts of Regional Council

(1) No Regional Council shall borrow money without the prior approval of the Council.

(2) In addition to the annual subscription allocated to the Regional Council by the Council and any further grants-in-aid that the Council may make to it, a Regional Council may raise, on a voluntary basis, such additional subscriptions and fees in respect of any particular activity from the participating persons as it may deem necessary, accept donations and raise funds in any other manner as it deems necessary with the prior approval of the President.

129. Expenditure from fund

The funds of a Regional council shall be employed for such purposes as may from time to time be sanctioned by the Regional Council.

Provided, that no funds shall be applied either directly or

¹⁰⁵ Substituted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2(M)(1), published in the Gazette of India: Extraordinary dated 30.12.85 for the following :

[Every member of a Committee shall hold office until the first meeting of the Regional council held after the next annual general meeting of the regional constituency, but subject to him being a member of the Regional Council, he shall be eligible for re-election to the Committee.

Provided that, a committee constituted for a specific purpose shall stand dissolved on the completion of the assignment and every members of such a Committee shall hold office until such dissolution.]

indirectly, for payments to the members of the Regional Council except for reimbursing them for any expenses actually incurred by them in connection with the activities of the Regional Council concerned.

130. Audit

The Accounts of each Regional Council shall be audited every year by an auditor who is a Chartered Accountant, as may be elected at the annual general meeting of the Regional constituency and the remuneration of the auditor, if any, shall also be fixed at that meeting. The accounts together with the auditor's report and the report of the Regional Council shall be sent to all the members borne on the Regional register and the Auditor and Secretary of the Institute at least fourteen days before the date of annual general meeting, Any casual vacancy in the office of the auditor shall be filled by the Regional Council and the remuneration, if any, of such auditor shall also be fixed by the Regional Council.

131. Accounts and report to the Council

A copy of the audited accounts and the report of the Regional Council as adopted by the annual general meeting shall be sent to the Council not later than fourteen days from the date of the annual general meeting.

132. Annual general meetings of the regional constituencies

(1) A Regional Council shall convene on or before thirty-first July of every year an annual general meeting of the regional constituency.

(2) The business at an annual general meeting shall be to consider and adopt the report of the Regional Council and the accounts alongwith auditor's report to appoint auditor and fix his remuneration, if any, and to transact such other business as may be brought before the meeting with the permission of the Chairman.

133. Extraordinary general meeting

(1) A Regional Council may, as often, as it considers necessary, and shall on the requisition made in writing by at

least one-fifth of the total number of members born on the regional register convene an extraordinary general meeting and any such requisition shall-

- (a) specify the object for which the meeting is called,
- (b) be signed by the members making the same, and
- (c) be delivered at the office of the Regional Council.

(2) When a requisition is made under sub-regulation (1), the Regional Council shall convene an extraordinary general meeting within six weeks from the receipt of such requisition.

134. Notice of meeting

Not less than fourteen days, notice of every general meeting specifying the date, place, hour and business of such meeting shall be given to all the members as appearing on the regional register of members, to the auditor of the Regional Council and the Secretary.

135. Notice of proposals

Any members borne on the regional register may propose any resolution for the consideration of a general meeting by giving not less than ten days' notice in that behalf, addressed to the Secretary of the Regional Council.

136. Chairman

The Chairman or in his absence, the Vice-Chairman of the Regional Council shall be the Chairman of all general meetings of the regional constituency. In the absence of both, the members present may elect one of their member to act as Chairman of the meeting.

137. Quorum for general meetings

Fifteen members entitled to vote under Regulation 139 shall constitute quorum for a general meeting of a regional constituency.

138. Adjournment

If, within half an hour from the time appointed for the

general meeting a quorum is not present, the meeting if convened upon the requisition of members, shall stand dissolved, and in any other case stand adjourned to the same day in the next week at the same time and place, and at every such adjourned meeting, the members present at the meeting shall constitute the quorum to transact the business which would have been transacted at the original meeting.

139. Voting at general meeting

(1) No person shall be entitled to vote at the meeting of the members of the regional constituency unless his name is borne on the regional register and he is not in default toward payment of his annual fees.

(2) Every member present at a general meeting shall have one vote and no voting by proxy shall be allowed.

140. Decisions to be by majority

The decision at any general meeting shall be taken by the majority of members, present and voting on any resolution.

141. Dissolution of the Regional Council

(1) Notwithstanding anything contained in these regulations, the Council-

- (a) may, if it considers necessary so to do, dissolve a Regional Council after giving an opportunity to it to state its case; and
- (b) shall dissolve a Regional Council if, not less than three-fourth of the members on the regional register have passed a resolution to that effect at a general meeting.

(2) Upon the dissolution of a Regional Council and until a new Regional Council is constituted, the function of the Regional Council shall be discharged by the Council.

Chapter XIII

Chapters of the Institute

142. Requirements and Conditions

The Council may by notification in the Journal specify the requirements and conditions with respect to the constitution

and recognition of the Chapters of the Institute.

143. Notification with Journal

The Chapters of the Institute constituted in accordance with the requirements and conditions referred to in the preceding Regulation shall be notified in the Journal.

144. Functioning of Chapters

A Chapter at all times shall function subject to the control, supervision and direction of the Council through the Regional Council within whose jurisdiction the Chapter is situate and shall carry out such directions as may, from time to time, be issued by the Council or the relevant Regional Council.

145. Dissolution/Reconstruction of Chapter

The Council, may at any time, if it considers necessary so to do, dissolve and/or reconstitute a Chapter.

**Chapter XIV
Miscellaneous**

146. Location of the office of the Institute

The office of the Institute shall be located in the Union Territory of Delhi.

147 Administration of the Institute

The Council shall be responsible for the management of the affairs of the Institute and of the Regional Councils.

148. Custody of common seal

The common seal of the Institute shall be in the custody of the Secretary.

149. Affixing common seal

All instruments on which the common seal is required to be affixed by or under any law shall be so affixed with the previous authority of the Council and countersigned by the Secretary.

¹⁰⁶[149A (1) Before the beginning of the next financial year, the Secretary shall cause the annual financial statement (the Budget) prepared including therein all anticipated income and expenditure for the financial year and place the same before the Council for approval.

(2) The Secretary shall take into consideration the requirements of the Regional Council and Chapters while preparing the annual financial statement (the Budget).

(3) The Council shall consider the annual financial statement (the Budget) placed before it and shall approve the same with or without modification before the commencement of the next financial year.]

¹⁰⁷[**150. Maintenance of accounts**

(1) It shall be the duty of the Finance Committee to maintain or cause to be maintained proper books of accounts with respect to –

- (a) all sums of money received and expended by the Institute and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods;
- (c) all the assets and liabilities of the Institute;
- (d) any other items specified in this regard by the

¹⁰⁶ Inserted by the Company Secretaries (Amendment) Regulations, 2012, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 04.06.2012

¹⁰⁷ Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010 for the following :

[*Maintenance of accounts*—It shall be the duty of the Secretary of maintain or cause to be maintained proper accounts of the receipts and expenditure of the Institute.]

Council.

(2) The annual accounts of the Council shall be prepared for every year. Such annual accounts shall comprise of the Balance Sheet of the Institute, Income and Expenditure Account of the Institute comprising the surplus or deficit of the Institute for that year, and cash flow statement for that year.

(3) While preparing the annual accounts, the Finance Committee shall take into consideration the annual accounts of the respective Regional Councils and Chapters and consolidate the same with the annual accounts of the Institute.]

¹⁰⁸**[151. Audit of accounts**

- (1) The Annual accounts of the Institute shall be audited by a Chartered Accountant or the firm or Chartered Accountants.
- (2) The Council shall not less than two months before thirtieth September of each year deliver to the auditor the accounts of the previous year and the auditor shall examine such accounts and report thereon, not later than one month before thirtieth September of that year.
- (3) The auditor shall be entitled to ask for any information or explanation regarding the accounts from the Secretary and such information and explanation shall be supplied to him in so far as may be available at that time.]

¹⁰⁹**[152. Appointment of auditor and his retirement**

¹⁰⁸ Substituted by the Company Secretaries (Amendment) Regulations, 2012, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 04.06.2012

¹⁰⁹ Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010 for the following :

[Appointment of auditor and his retirement

(1) The auditor shall be appointed by the Council at the annual meeting of the Council on the recommendation of the Executive Committee as provided in Sub-section (5) of Section 18 of the Act.

(2) The auditor shall retire at the conclusion of the Annual Meeting of the Council next after the meeting at which he was appointed, but shall be eligible for re-appointment.]

153. Auditor's remuneration

The Council shall determine the remuneration, if any, to be paid to the auditor.

110[154. Auditor's vacancy in office

In the event of any vacancy occurring in the office of auditor before the expiry of his term of office in the normal course or in

(1) The auditor shall be elected at each Annual Meeting of the Council from amongst Chartered Accountants who have been duly nominated by two members of the Council; each such nomination shall be signed by members nominating and by the candidate, and shall be deposited at the office of the Council at least three days before the meeting. The auditor who is in office shall be deemed to be nominated at each annual Meeting unless he has intimated to the Secretary his desire not to be re-elected. Notwithstanding anything herein contained the first auditor appointed by the Council at its first meeting held after the commencement of the Act shall hold office until the first Annual Meeting of the Council.

(2) The auditor shall retire at the conclusion of the Annual Meeting of the Council next after the meeting at which he has elected, but shall be eligible for re-election.]

110 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010 for the following :

[Auditor's vacancy in office

In the event of any vacancy occurring in the office of auditor before the expiry of his term of office in the normal course or in the event of a vacancy not being filled up at any Annual Meeting the said vacancy may be filled by the Council and the auditor so appointed by the Council shall hold office until the conclusion of the next Annual Meeting, but shall be eligible for election:

Provided that, during the period of such vacancy the continuing auditor, if any, may act.]

the event of a vacancy not being filled up at the Annual Meeting, the said vacancy may be filled by the Executive Committee and the auditor so appointed by the Executive Committee shall hold office until the conclusion of the next Annual Meeting but shall be eligible for re-appointment.

Provided that, during the period of such vacancy the existing auditor may, continue to act.]

¹¹¹[154A. **Comparison of actual income and expenditure with budget estimates**

(1) The Council shall approve the budget prior to the commencement of each financial year indicating expenditure proposed to be incurred and anticipated revenues for the forthcoming year.

(2) The budget refers to in sub-regulation (1) apart from the other things separately record capital items and the revenue items.

(3) The budget for the capital items shall provide proposed expenditure apart from the other items on land, building, capital equipments, books and library.

(4) The budget for revenue items shall provide anticipated income and proposed expenditure for the forthcoming year in relation to, apart from the other items, in respect of distance education, examination, services to members and salary and establishment.

(5) The budget so approved may be revised during the year to incorporate the expected changes.

(6) The auditors of the Council shall also compare the actual income and expenditure with the budget estimates approved by the Council and submit a report to the Council on the material departures.]

¹¹²[155. **Approval, circulation and publication of**

111 Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010.

112 Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of

audited accounts and Council report

(1) The Council shall as soon as may be practicable at the end of each year circulate the audited accounts to its members at least 15 days in advance and consider and approve these accounts in a special meeting convened for the purpose in pursuance of Sub-section (5A) of Section 18 of the Act.

(2) The Council shall cause to be published in the Gazette of India a copy of the audited accounts and the report of the Council for that year duly approved by the Council and shall forward a copy of the said accounts and report to the Central Government and to all members of the Institute on or before the 30th day of September of the year next following in pursuance of Sub-section 5(B) of Section 18 of the Act.]

¹¹³**[155A.** (1) In the event it is brought to the notice of the Council that the accounts of the Institute do not represent a true and actual view of the Institute's finances, the Council shall itself cause special audit to be conducted.

(2) If the information that the accounts of the Council do not represent a true and fair view of its finances is sent to the Council by the Central Government, then, the Council may, wherever appropriate cause a special audit or take such action as it considers necessary and shall furnish an Action Taken Report on it to the Central Government.]

156. Powers and duties of the President and Vice-

India, Extraordinary, Part III, Section 4, dated 26.7.2010 for the following :

[Publication and circulation of audited accounts and Council report

The Council shall cause to be published in the Gazette of India a copy of the audited accounts and the report of the Council for that year and shall forward copies of the said accounts and its report to the Central Government, and to all members in pursuance of Sub-section (5) of Section 18 of the Act, on or before the thirtieth day of September of the year next following.]

¹¹³ Inserted by the Company Secretaries (Amendment) Regulations, 2012, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 04.06.2012.

President

(1) The President shall exercise such powers and perform such duties as are conferred on or vested in him by the Act or these regulations, or as may be delegated to him by the Council from time to time

(2) The President may direct any business to be brought before the Council or any Committee for consideration. If the office of the President is vacant or if the President, for any reason, is unable to exercise the powers or duties of his office, the Vice-President shall act in his place and shall exercise the powers and perform the duties of the President.

157. Powers and duties of the Secretary

Subject to the general supervision of the President or the relevant Standing Committee, the Secretary shall exercise and perform, in addition to the powers and duties specified by the Act or in these regulations, the following powers and duties, namely,-

- (a) being incharge of the office of the Institute as its executive head, managing it and attending to all correspondence;
- (b) maintaining registers, documents and forms as required by the Act and these regulations;
- (c) being incharge of all the property of the Institute;
- (d) making necessary arrangements for receiving moneys due to the Council and also issuing receipts therefor;
- (e) incurring all revenue expenditure within the limits sanctioned by the Council or the Committee and incurring capital expenditure including for the purpose of purchasing books for the library of the Institute within the limits sanctioned by the Council or the Committees;
- (f) causing proper accounts to be maintained and delivering of accounts books, or furnishing information to the auditor appointed by the Council for the purpose of audit of the accounts of the Institute;
- (g) making all other payments as sanctioned by the Council, Committees or the President;

- (h) paying salary and allowances to the members of the staff, granting of leave to them, and sanctioning their increments within the prescribed scales;
- (i) exercising disciplinary control over the staff except dismissal in respect of which the sanction of the President shall be necessary;
- (j) admitting candidates to the examinations held under these regulations and making all necessary arrangements for the conduct of the examinations;
- (k) refunding or transferring of fees received in accordance with these regulations for the examinations, enrolment, issue of certificates of practice and allied matters;
- (l) registering and noting of suspension, cancellation or termination of registration of students;
- (m) recognising practical experience, sponsoring candidates for practical training, granting exemption from practical training requirements as may be delegated by the Council and the Committees concerned from time to time;
- (n) enrolling Associates, admitting Fellow, removing the names of members from the Register owing to death or non-payment of prescribed fees and dues to the Institute, restoring membership, issuing and canceling certificates of practice and issuing notifications therefore as may be delegated by the Council and the Executive Committees from time to time;
- (o) signing and issuing all notifications on behalf of the Council as required under the Act and these regulations;
- (p) subject to the approval for the President, signing vakalatnamas, on behalf of the Council, appointing solicitors or advocates on behalf of the Council and filing papers, affidavits and other documents in civil, criminal, revenue courts and other offices;
- (q) receiving complaints and submitting the same to the Disciplinary Committee and to make such enquiry

and collect such information as may be required or directed by the President, the Committee or the Council and submit to them such information as may come to his knowledge;

- (r) issuing pass certificates, licentiateship certificates, membership certificates, certificates of practice and its renewal letters to the persons who are entitled thereto in accordance with the provisions of the Act and these regulations;
- (s) keeping in his custody the common seal of the Institute and to affix the same to any document or instrument in accordance with Regulation 149;
- (t) keeping in his custody forms of certificates of membership and of practice, blocks, engravings, facsimile and bills relating to printing of such certificates;
- (u) calling any information or particulars as he may consider proper for processing applications for registration of students or admission or enrolment of members of the Institute; and
- (v) performing such other duties and functions as are incidental and ancillary to as may be required for the performance of the above duties and exercising such other powers as may be delegated to him by the Council, Committees or the President from time to time.

114[157A. Terms and conditions of service of the employees

The employees of the Council and the Institute shall be governed by the Institute of Company Secretaries of India Employees terms and conditions of Service specified in Schedule 'F'.]

¹¹⁴ Inserted by the Company Secretaries (Amendment) Regulations, 2012, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 04.06.2012.

158. Indemnity from losses and expenses

The members of the Council, the Auditor, the Secretary and other officers of the Institute shall be indemnified by the Institute against all losses and expenses incurred by them in the *bona fide* discharge of their respective duties.

159. Issue of duplicate certificates

(1) In the event of the loss by the holder of a certificate issued in any of the appropriate forms, the Council may, on an application made in this behalf, duly supported by an affidavit of the applicant to the effect that he was in possession of such a certificate and had lost it, issue a duplicate thereof to him on payment of a fee of rupees twenty for a duplicate of a certificate in the appropriate form relating to members and rupees ten for a duplicate of a certificate relating to students.

(2) Where any such certificate is damaged or mutilated, the Council may, on an application made in this behalf, issue a duplicate thereof on receipt of the fee prescribed in sub-regulation (1) and on return of the damaged or mutilated certificate.

160. Service of notices

(1) *To members and others*—All notices required by the Act or these regulations to be given to members, students and others shall be forwarded by post to such address as may last have been registered with the Institute, and in proving that such notice has been given, it shall be sufficient to prove that such notice was properly addressed and put in the post, postage duly prepaid.

(2) *To institute*—Any documents or official communication to be served on the Institute or an officer of the Institute including President, Vice-President or the Secretary, shall be addressed to the office by post under a certificate of posting or by registered post or by delivering it at the office of the Institute at Delhi.

¹¹⁵161. Publication of List of Members

¹¹⁵ Substituted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of

(1) The list of members of the Institute as on the 1st day of April each year published in print or electronic form, under Sub-section (3) of Section 19, shall be sent to any member, on his request and on his making payment of such amount as may be determined by the Council which shall not exceed rupees three thousand.

(2) In publishing the list of members as stated in sub-regulation (1), the Council may distinguish, in such manner as it may think fit, between the Associates and Fellows in practice and between the Associates and Fellows not in practice and provide such other information pertaining to each member in the list of members as it considers necessary and useful :

Provided that a copy of the list of members or the Compact Disc or any other electronic form, as the case may be sent free of charge to Registrars of Companies, Regional Directors under the Ministry of Corporate Affairs and such other bodies as the Council may specify from time to time.

Provided further copies of the list in print or Compact Disc or in other electronic form, as the case may be, shall also be made available to others on payment of the amount as determined by the Council under sub-regulation (1), in addition to the postal charges, if any.]

162. Members to supply information

India, Extraordinary, Part III, Section 4, dated 26.7.2010 for the following :

*[Publication of list members—*In publishing the list of members under Sub-section (3) of Section 19, the Council may indicate in such manner as it deems fit, the Associates and Fellows who are in practice and provide such other information pertaining to each member in the list of members as it considers necessary and useful. A copy of the list shall be sent free of charge to all members who make a request for it to the Secretary, all Registrars of Companies, Regional Directors under the Department of Company Affairs, Secretary, Department of Company Affairs, the Ministry of Finance, Commerce and Industry; and such other bodies as the Council may specify from time to time. Copies of the list shall also be made available to all other persons at such reasonable price as the Council may fix from time to time.

For the purpose of publication of the list referred to in Regulation 161 the Council may require the members to supply any information regarding their present address, place of business, partners, whether practising or not, and such other particulars as may be deemed necessary. If the members fail to supply the information in time, the list may be drawn on such information as the Council may possess.

163. Branch office

Every Company Secretary in practice or a firm of such Company Secretaries maintaining more than one office at the commencement of the Act shall send within three months of the commencement of these Regulations to the Council a list of offices and persons in charge thereof. Any change in regard to any branch office or offices shall also be intimated to the Council not later than a month of such change.

164. Offices not in-charge of members

Where a Company Secretary in practice or a firm of such Company Secretaries has any office in India at the commencement of the Act which is not in separate charge of a member, he or it shall take steps within three months from the date of commencement of these regulations to regularise the position by obtaining exemption from the Council or otherwise.

165. Particulars of offices and firms

(1) Every Company Secretary in practice and every firm of such Company Secretaries shall submit to the Council in the appropriate form the particulars of his office or that of the firm within three months from the date of commencement of these regulations or the commencement of practice or formation of the firm, as the case may be, whichever is later. Any subsequent change in the particulars submitted shall be sent so as to reach the Council within thirty days after the change was effected.

(2) A Register of Offices and Firms shall be maintained by the Council.

166. Particulars of nationality and domicile

Every member shall submit to the Council particulars regarding his nationality and domicile and shall also intimate to the Council any subsequent change in such particulars not later than thirty days from the date of such change.

167. Place of business of practising member in India

It shall be obligatory on every member in practice to have a place of business in India in his own charge or in charge of another member. Particulars of such place of business shall be supplied by the member to the Council initially and whenever there is a change of such place of business within thirty days of such change.

Provided that the Council may, in the case of a person not covered by the proviso to Sub-section (1) to Section 4, allow a member to specify a place of business in India (whether he has business in India or not) which is neither in his own charge nor in charge of another member of the Institute, and in that event, such place shall be deemed to be the place of business for the purposes of Section 19 and his professional address for purposes of ¹¹⁶[sub-regulation (1) or Regulation 62].

Particulars of any change of such place of business shall be furnished to the Council within thirty days of such change.

Provided further that in the case of such a member who is a salaried employee of a Company Secretary in practice or a firm of such Company Secretaries in practice, the place of business of his employer(s) shall be deemed to be his place of business for the purpose of Section 19.

168. Company Secretaries in practice not to engage in any other business or occupation

(1) A Company Secretary in practice shall not engage in any business or occupation other than the profession of Company Secretary unless it is permitted by a general or

¹¹⁶ Substituted, supra note 3 [(for "sub-regulation (2) of Regulation 61")].

specific resolution of the Council.

Provided that a Company Secretary in practice who at the commencement of the Act was engaged in any business or occupation other than the profession of Company Secretary may continue to engage himself in such business or occupation for a period of six months from the commencement of these regulations.

(2) Without prejudice to the discretion vested in the Council in this behalf, a Company Secretary in practice may act as a secretary, trustee, executor, administrator, arbitrator, receiver, appraiser, valuer, internal auditor, management auditor, management consultant or as a representative on financial matters including taxation and may take up an appointment that may be made by the Central or any State Government, Court of Law, Labour Tribunals, or any other statutory authority.

¹¹⁷[168A. Other Professional bodies

(1) For the purposes of clauses (2), (3) and (5) of Part I of the First Schedule to the Act, a person has to be member of any of the following, namely :-

- (a) The Institute of Chartered Accountants of India established under the Chartered Accountants Act, 1949 (No.38 of 1949);
- (b) The Institute of Cost and Works Accountants of India established under the Cost and Works Accountants Act, 1959 (No. 23 of 1959);
- (c) Bar Council of India established under the Advocates Act, 1961 (No. 25 of 1961);
- (d) The Indian Institute of Architects established under the Architects Act, 1972 (No. 20 of 1972);
- (e) The Institute of Actuaries of India established under

¹¹⁷ Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010.

the Actuaries Act, 2006 (No. 35 of 2006);

- (f) the membership of the professional bodies or institutions whose qualifications relating to Company Secretaryship are recognized by the Council under Sub-section (2) of Section 38 of the Act.

(2) For the purposes of clauses (2), (3) and (5) of Part I of the First Schedule to the Act, the following shall be the persons qualified in India, namely :-

- (a) Chartered Accountant within the meaning of the Chartered Accountants Act, 1949;
- (b) Cost Accountant within the meaning of the Cost and Works Accountants Act, 1959;
- (c) Actuary within the meaning of the Actuaries Act, 2006;
- (d) Bachelor in Engineering from a University established by law or an institution recognized by law;
- (e) Bachelor in Technology from a University established by law or an institution recognized by law;
- (f) Bachelor in Architecture from a University established by law or an institution recognized by law;
- (g) Bachelor of Law from a University established by law or an institution recognized by law;
- (h) Master in Business Administration from Universities established by Law or Technical Institutions recognized by All India Council for Technical Education.]

118[168B. Membership of Professional body for Partnership

- (1) For the purposes of entering into partnership under

¹¹⁸ Inserted by the Company Secretaries (Amendment) Regulations, 2010, Notification No. 531:legal:710/1/M/1, published in the Gazette of India, Extraordinary, Part III, Section 4, dated 26.7.2010.

clauses (4) and (5) of Part I of the First Schedule to the Act, a person shall be a member of any of the following professional bodies, namely:-

- (a) The Institute of Chartered Accountants of India established under the Chartered Accountants Act, 1949 (No. 38 of 1949);
- (b) The Institute of Cost and Works Accountants of India established under the Cost and Works Accountants Act, 1959 (No.23 of 1959);
- (c) Bar Council of India established under the Advocates Act, 1961 (No. 25 of 1961);
- (d) The Institute of Engineers or Engineering from a University established by law or an institution recognized by law;
- (e) The Indian Institute of Architects established under the Architects Act, 1972 (No. 20 of 1972);
- (f) The Institute of Actuaries of India established, under the Actuaries Act, 2006 (No. 35 of 2006);
- (g) Professional bodies or institutions outside India whose qualifications relating to Company Secretary recognized by the Council under Sub-section (2) of Section 38 of the Act.]

169. Trade or firm name to require Council approval

(1) No Company Secretary in practice who is not a partner of a firm of such Company Secretaries shall practice under any name or style other than his own except with the prior approval of the Council.

(2) No firm of Company Secretaries in practice shall practice under any name or style except with the previous approval of the Council.

(3) The Council may, at its discretion, refuse to approve the particular trade, firm or other name:-

- (i) if the same of similar or nearly similar name is already used by a Company Secretary in practice or

a firm of such Company Secretaries and has been entered in the Register of Offices and Firms maintained under Regulation 165; or

(ii) if that name, in the opinion of the Council, is undesirable.

(4) Without prejudice to the generality of the powers conferred upon the Council under sub-regulation (3), a firm name may be considered undesirable if it does not bear the names of its partners, present or past, except when the firm name has been acquired by payment of goodwill or otherwise.

(5) Where the same trade or firm name has been inadvertently registered in the past in the Register of Offices and Firms maintained under Regulation 165 in the case of two or more members or firms, the Council may direct the member(s) or the firm(s), as the case may be, other than the one whose name was registered first in the Register of Offices and Firms maintained under Regulation 165, to alter the name in such manner as the Council may direct in this behalf and the member or the firm shall inform the Council of having effected such alteration within three months of the issue of such direction.]

170. Constitution or reconstitution of firms to require Council's approval

(1) After the commencement of these regulations no firm of Company Secretaries shall be constituted or reconstituted except with the prior approval of the Council.

(2) The Council shall not refuse to accord approval to the constitution or reconstitution of a firm under sub-regulation (1) unless it is of the opinion that the terms of the partnership agreement permit directly or indirectly, the doing of anything by the firm or any partner thereof which amounts to professional misconduct in relation to a Company Secretary in practice, or that the terms and conditions of the proposed partnership are not fair and reasonable or that, having regard to the circumstances of the cases, the constitution or reconstitution of the proposed partnership would not be in the

interests of the general public.

(3) ¹¹⁹[x x x].

(4) ¹¹⁹[x x x].

171. Power to charge fees

The rates and extent of all other fees payable under these regulations other than those specified in Schedule B shall be determined by the Council from time to time by resolution.

172. Mode of payment of fees

All fees and other dues payable to the Institute shall be remitted in cash or by, crossed bank draft or by money order or pay order, or by, crossed bank draft or by money order or pay order, or postal order in respect of places where banking facilities are not available, drawn in favour of "The Institute of Company Secretaries of India", payable at New Delhi or in banks authorized by the Council or in such other manner as may be directed by the Council from time to time.

173. Power to withdraw or cancel certificate

Any certificate issued under the authority of the Council on the strength of incorrect, misleading or false information, or by mistake or inadvertence, may be withdrawn or treated as cancelled after giving a reasonable opportunity or notice to the person concerned to state his case.

¹¹⁹ The following sub-regulations were omitted by the Company Secretaries (Amendment) Regulations, 1985, Notification No. 710:2:(M)(1), published in the Gazette of India: Extraordinary dated 30.12.85.

[(3) The Council may, at its discretion, refuse to register, the name of a firm if that name is already used by a Company Secretary in practice or a firm or such Company Secretaries and has been entered in the Register of Offices and Firms.

(4) Were the same firm has been inadvertently registered in the past in the Register of Office and Firms, the Council may direct the firm other than the one whose name was registered first in the Register of Office and Firms, the Council may direct the firm other than the one whose name was registered first in the Register of Offices and Firms, to alter the name in such manner as the Council may direct in this behalf and the firm shall inform the Council of having effected such alteration within three months of the issue of such direction.]

¹²⁰[174. Power to remove difficulties

If any difficulty arises in giving effect to the provisions of the Company Secretaries (Amendment) Regulations, 2001 in so far as it relates to the switch over from the syllabus contained in Schedule C or Schedule CC or Schedule CCA to the syllabus contained in Schedule CCB of these regulations, the Council may by general or specific resolution, do anything not inconsistent with these regulations which appear to it to be necessary or expedient for the purpose of removing the difficulty.]

¹²⁰ Substituted by the Company Secretaries (Amendment) Regulations, 2001, Notification No. ICSI/710/2/M/26, published in the Gazette of India; Extraordinary, Part III – Section 4, dated 10th August, 2001 for the following: [If any difficulty arises in giving effect to the provisions of the Company Secretaries (Amendment) Regulation, 1985 in so far as it relates to the switchover from the syllabus contained in Schedule C to the syllable contained in Schedule CC of these regulations, the Council may by general or specific resolution and with the approval of the Central Government, do anything not inconsistent with these regulations which appear to it to be necessary or expedient for the purpose of removing the difficulty.]

SCHEDULE A*PROFORMA*

(See Reg. 3)

Register of Members

1. Particulars of membership
 - (a) ACS No. and Date of entry in the Register
 - (b) FCS No. and Date of admission as Fellow
2. Name in full.....
3. Date of birth.....
4. (a) Nationality.....
- (b) Domicile.....
5. Qualification.....
6. Address.....
 - (a) Professional.....
 - (b) Residential.....
7. Whether the member holds a certificate of practice
.....
8. Particulars of practice as Company Secretary.....
 - (a) Certificate to Practice No.....
 - (b) Date of effect.....
 - (c) Whether practicing independently, in partnership,
or employed in a firm of Company Secretaries in
practice
9. Whether holding a salaried employment, if not in
practice
10. Change of address, if any
11. Particulars of fees received
12. Remarks

SCHEDULE B
Schedule of Fees
(See Regns. 6 and 13)
(Relating to Members)

<i>Particulars</i>	<i>Amount (Rs.)</i>
1. Entrance fee	
(i) Associate [see reg. 6(1)]	121,500
(ii) Fellow [see reg. 6(2)]	122,000
2. Annual Membership fee	
(i) Associate [see reg. 6(3)]	123,125
(ii) Fellow [see reg. 6(4)]	124,500
3. Annual certificate fee for holding certificate of practice [see reg. 6(5)]	125,000
4. Restoration fee [see reg. 13(2)]	126,250

121 ICSI No. 1 of January 2007. In the 167th meeting held on 10th September, 2006 the Council in exercise of the power vested under Sections 4(3), 5(3), 6(2), 19(4) and 20(3) of the Company Secretaries Act, 1980 as amended by the Company Secretaries (Amendment) Act, 2006 has decided to revise the membership and other fees w.e.f. 1st April, 2007.

122 *Ibid.*

123 *Ibid.*

124 *Ibid.*

125 *Ibid.*

126 *Ibid.*

SCHEDULE C

[See Regs. 39(2), 4(2) and 44(2)]

PART I**Syllabus for Preliminary Examination**

[Reg. 39(2)]

(Each paper will be of three hours duration and will carry 100 marks. ¹²⁷[The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject.] Reasonable working knowledge of a graduate standard is expected of students in Preliminary examination in all papers).

1. ENGLISH*Part A-Grammar (40 Marks)*

Correct Usage (tested through knowledge about Prepositions, Tenses, Active and Passive Voice, Direct and Indirect Speech, Common Errors, etc.);

Formation, Types, Analysis and synthesis of Sentences;

Vocabulary (tested through knowledge of One-Word Substitutes, Synonyms and Antonyms; Numbers (Singular and Plural), Gender (Masculine and Feminine); Diminutives and Primitives; Phrases, Idioms, Foreign Words and Phrases, etc.]

Punctuation

Part B-Composition (60 Marks)

Essay

All forms of written communication including drafting of Reports, Notices, Agenda, Notes, Business, Correspondence (both internal and foreign) in general;

¹²⁷ Substituted by the Company Secretaries (Amendment) Regulations; 1984, Notification No. ICSI/710/2/M(1), published in the Gazette of India, Extraordinary, dated 30.3.1984 for the following.

[The medium of writing the examination is English only].

Preparation of Summaries and Precises, Telegrams, Cables, Circulars and Sales Letters, Applications, Representations; Office Notes and Memoranda; Press Releases by way of Notifications, Advertisements, etc.

2. BOOK-KEEPING AND ACCOUNTANCY

Principles of Double Entry and the Accounting Structures; Special Purpose Subsidiary Books; Basic Accounting Concept and Conventions; Bank Reconciliation Statement; Self-Balancing and Sectional Ledgers; Rectification of Errors; Receipts and Payments Account; Income and Expenditure Account; Partnership Accounts.

Preparation of Trial Balance and final Accounts of Sole Trader and Partnership.

Bill of Exchange; Consignment, Joint Venture; Account Current; Hire Purchase and Installments; Branch and Departmental Accounts; Investment Accounts.

Accounts from incompleting records.

3. ELEMENTS OF COMMERCE

The Structure of Business; Nature of Business and its Evolution.

Size of the firm; Comparative study of the Forms of Business organization; Sole proprietorship, Partnership; Company and co-operative Enterprise, State Enterprise, Business Combination, and Public Utilities.

Procedure involved in Inland and Foreign (Export and Import) Trade.

Transport; Warehousing.

Money and Credit; Banking and Negotiable Instruments.

Mode of Payments in Home and Foreign Trade.

Insurance relating to Fire, Marine, General, Accident and other risks.

Business Finance; Financial needs of Business; Methods and Sources of Raising Finance; Special Financial Institutions; the Securities Market including Stock Exchange.

4. ECONOMICS

Part A -Principles

Definition and Scope of Economics, Micro and Macro Economics; Wants; Wealth

Utility, Demand Schedule, Theory of Consumers Equilibrium.

Factors of Production, Laws of Returns, Scale of Production, Cost Curves.

Equilibrium of a Firm, Determination of Price under Perfect and Imperfect Competition.

Marginal Productivity Theory of Distribution; Determination of Wages, Interest, Rent and Profits.

Sources of Government Finance; Incidence and Effects of Taxation Public Expenditure.

Part B -Problems (relating to Indian Economy)

National Income-Trends.

Population Problem-Growth, Density, Occupational Distribution.

Major Manufacturing Industries-Their problems; Cottage and Small Scale Industries; Industrial Policy.

Structure of Foreign Trade, Balance of Payments.

Union and State Finance.

Five year plans.

5. OFFICE MANAGEMENT

Importance of Office Management -The Office Manager and his job, Office Organization; its significance.

Office Environment-Location; Planning and Layout of Office Accommodation; Furniture and Office Fixtures; Office Procedures; Office Security; Office Manual.

Office Operation-Office Systems and Routines; Work Simplification; Work Measurement and Control; O&M.

Supporting Services-Purchasing and Management of Office Supplies; Records Management-filing. Indexing; Micro-filming; forms Design and Control; Continuous Stationery; Printing; Communication Systems and Aids;

Inwards and Outward Mail Messenger Services; Office Appliances and Machines-Cyclostyling, Duplicating Franking, Photostat etc.

Office Personnel Relations Office Committees, Suggestion Systems, Morale and Productivity, Staff Welfare, Social and Recreational Club, Office, Credit Societies, Fidelity Guarantee and Group Insurance, Terminal Benefits, Handling of Grievances etc.

SCHEDULE C

PART II

Syllabus for Intermediate Examination or Executive Programme Examination

[Reg. 41(2)]

(Each paper will be of three hours duration and will carry 100 marks. ¹²⁸[The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for a particular subject]. Candidates are expected to be conversant with the amendments to the laws made upto six months preceding the date of examination).

GROUP 1-PAPERS (1 to 3)

1. COMPANY ACCOUNTS

Principles of Book-keeping and Accountancy relating to companies.

Books of Accounts and Statutory Books.

Share Capital: Kinds, Issues of Shares (including forfeiture and re-issue) Surrender of Shares, Lien on Shares, Rights Issue.

Redemption of preference Shares: Conversion of Shares

¹²⁸ Substituted by the Company Secretaries (Amendment) Regulations, 1984, Notification No. ICSI/710/2/M(1), published in the Gazette of India-Extraordinary dated 30.3.1984 for the following.

[The medium of writing the examination is English only].

into Stock, Consolidation of Shares.

Loan Capital: Issue and Redemption of Debentures.

Underwriting: Acquisition of Business including closing of books of account of partnership, Profits prior to incorporation, preliminary expenses, Statutory report.

Preparation and presentation of Final Accounts of Companies: Legal requirements, Depreciation, Replacements, Reserves and Provisions, Managerial Remuneration, Divisible Profits, Disposition of Profits, Dividends, Bonus Shares, interest out of Capital.

Consolidation of Accounts: Amalgamation, Absorption and Reconstruction, Holding and Subsidiary Companies, Accounting requirements for Banking Companies, Insurance Companies and Hotels.

Insurance Claims.

2. PRINCIPLES OF LAW

Sources of Indian Law: Statutes and Subordinate Legislation, Customs, Personal Law, "Justice, Equity and Goods Conscience" and Judicial Precedents.

Constitution: Distribution of Legislative Powers, Acquisition of Property, Fundamental Rights, Directive Principles of State Policy, Restrictions on Legislative Capacity.

Principles and Provisions of: The Indian Contract Act, 1872; Specific Relief Act, 1963; Indian Partnership Act, 1932; Indian Trusts Act, 1882; Indian Sale of Goods Act, 1930; Negotiable Instruments Act, 1881; Transfer of Property Act, 1882; Law of Torts; Law relating to Arbitration and Carriage of Goods by Land, Sea and Air.

3. COMPANY LAW

Principles and Provisions of the Companies Act, 1956, including the Schedules and Rules made thereunder but

excluding Winding up (Parts VII and X of the Act).

GROUP II-PAPERS (4 to 6)

4. BUSINESS COMMUNICATION

Essay and Precis Writing: With relevance, coherence and readability on current affairs relating to trade, commerce, industry and the professions.

Written Communication: The layout, drafting and Presentation of various Forms of Written Communication effectively, concisely and unambiguously; Business Correspondence from given material; Letters, Memoranda, Office Notes, Office Orders, Reports, Instructions, Applications, Representations, Documents, Notifications, Telegrams, Cables, Press Releases etc.

Advertisements: Preparation of Manuscript for Publication including Elements of Proof-reading.

Oral and other Forms of Communication: Planning and Conducting of Conversation Discussion, Interviews, Meetings, Press Conference, etc.; Collection of Data (primary and secondary) and Presentation of Data in Tables, Graphs, Charts and Diagrams; Telephonic Communications, Communications through Audio-visual Aids, Television, Films, etc.

5. PRINCIPLES AND PRACTICE OF MANAGEMENT

Nature of Management and its Process; Planning, Organising, Directing, Co-ordinating and Controlling.

Planning: Policies and Procedures, Methods, Decision-making.

Organising: Structure, Principles and Theories of Organisation; Span of Management; Centralisation and Decentralisation; Line and Staff Functions; Delegation; Functional Organization; Formal and Informal Organisation; Growth in Organisation.

Direction: Communication, Motivation, Morale and Leadership; Internal and External Co-ordination; Committees in Management; Management of Change; Organisation Development (OD).

Control and its processes: Budgetary Control;

Management Audit.

Social Responsibilities of Business: Ethics in Business, Consumer Protection.

6. COMPANY ADMINISTRATION AND MEETINGS

Company Administration

Hierarchy of Company Administration, Shareholders, Board, Managerial Personnel and Company Secretary.

Who is a Secretary? Importance, Position, Qualities of a successful Secretary.

Secretary of a Co-operative Society. Statutory Body and Corporation.

Who may be Company Secretary? Statutory position; Appointment and Dismissal; Scope of Work; Powers; Rights; Duties and Responsibilities; Liabilities—Statutory and Contractual.

Role of the Company Secretary

As Statutory Officer: Compliance of requirements of the Companies Act, the M.R.T.P. Act and Other Economic and Social Legislations applicable to a Company.

As Co-ordinator: Relation with the Board, Chairman, Managing Director, Line and Staff Functionaries, Shareholders, Auditors, Government and the General Public, Management-Union relations.

As Chief Administrative Office: Administrative Duties relating to Personnel, Office Management, Service, Property, Transport Services, Security of Company's Personnel and Property, Insurance of Company Assets.

Meetings

Definition of Meeting, Kinds of Meetings, General Principles Governing Meetings, Constitution and Conduct of Meetings, Rights Restrictions and Preservation of Order at Meetings, Law of Defamation relating to Meetings, Admission of Press to Meetings, Appointment, Duties and Powers of Chairman.

Requisites of a Valid Meeting; Notice, Agenda, Quorum, Proxy, Motion, Amendment, Voting, Polling, Resolutions, Minutes, Adjournment and Postponement.

Law and Practice relating to Company Meetings

Kinds of Company Meetings: Meetings: Meetings of Share-

holders; Statutory, Annual General, Class, Requisitioned and other General Meetings; Meetings of Debenture-holders; Meetings of the Creditors; Meetings of the Board of Directors and its Committee.

Notice; Agenda; Explanatory Statement; Quorum; Chairman; Motions and Resolutions; Amendment; Resolutions requiring Special Notice; Resolution by Circulation; Proxy; Sense of the Meeting; Adjournment and Postponement; Record of the Business of the Meetings.

Work of the Company Secretary before, during and after a meeting including Director's Report and Chairman's Speech.

N.B. Candidates for the Intermediate Examination or Executive Programme Examination will be given a choice of taking any one or both groups of the examination. In the event of a candidate passing in one group only, he/she will be allowed to appear for and pass the group in any subsequent examination.

SCHEDULE C

PART III

[See Reg. 44(2)]

Syllabus for Final Examination

(Each paper will be of three hours duration and will carry 100 marks. ¹²⁹[The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject]. Candidates are expected to be conversant with the amendments to the laws made upto six months preceding the date of examination. Adequate knowledge in papers of Group

¹²⁹ Substituted by the Company Secretaries (Amendment) Regulations, 1984, Notification No. ICSI/710/2/M(1), published in the Gazette of India-Extraordinary dated 30.3.1984 for the following.

[The medium of writing the examination is English only].

I and expert knowledge in papers of group II & III are expected of students).

GROUP I – PAPERS (1 to 3)

1. FINANCIAL ACCOUNTING, COSTING AND MANAGEMENT ACCOUNTING

Meaning, Scope and Use of Financial Accounting.

Valuation of Stocks, Shares, Current and Fixed Assets and Goodwill.

Cost Concepts and Determinations of Costs.

Cost classification—Fixed and variable, Controllable and Non-controllable, Direct and Indirect, Absorbed and Unabsorbed.

Allocation of Overhead.

Job and Process Costing; budgetary Control and Standards Costing; Variance Analysis.

Cost-volume—Profit relations, Break-even Analysis.

Meaning, Scope and use of Management Accounting; Difference between Financial Accounting, Cost Accounting and Management Accounting.

Interpretation and Criticism of Financial Statements and Records-Balance Sheet Analysis, Presentation and Analysis of Financial Statements including present practices regarding Published Accounts, Funds-Flow and Cash-Flow Statements, Financial Ratios.

Profit Planning and Pricing.

Capital Budgeting—Methods, Investment Appraisal, Conditions of Certainty and Uncertainty and of Changing Prices.

2. MANAGERIAL ECONOMICS

Economics of Business

Organisational Objective: Choice of location, Backward are location, Economics of large scale versus small scale organization.

Nature of demand for company's products: Problems of

Multiple Products; Demand Analysis and Market Surveys; Distinction between Products with Elastic and Inelastic Demands; Nature of Market Competition; Market for Production Factors; Incentives.

Cost Reduction: Allocation of Resources through Competition; Cost of Holding Inventories; Investment Decisions.

Pricing Policy under different Competitive Conditions: Price Discrimination between Market and Consumers.

Capital Management: Capital Budgeting; Forecasting; Techniques; Short Term and Long Term Forecasting; appraisal of Forecasting Techniques—Indices of Business Activities.

Economic Fluctuations and Business: Business Cycles and Business Policy; Inflation and Deflation with Reference to India; Economic Forecasting for Business.

International Trade: Practices and Problems; Free Trade and Protection; Foreign Trade and the Methods and Practices Adopted in International Finance and International Commerce; Balance of Payment and Foreign Exchange Control.

Business and Government: Social Control of Business and Nationalization; Monopolies and Public Policy; Public and Private Sectors; Mixed Economy; Joint Sector; National Labour Policy; Taxation and Fiscal Policies; Industrial Policy.

Government Price Regulation and Distribution Control: Bureau of Industrial Costs & Prices; Administered Prices.

3. FUNCTIONAL MANAGEMENT

Materials Management and Industrial Productivity: Purchase Organisation and Material Planning; Problems of Purchasing Procedures and Inventory Control.

Marketing and Sales Management: Market and Marketing Research, Economic and Market Survey, Choice of Channels of Distribution, Forecasting Techniques, Sales Budgets, Sales Promotion, Advertising and Salesmanship.

Personnel Management (including Industrial Relations): Recruitment, Interviewing, Selection,

Placement, Training, dismissals, Staff Welfare and Grievances, Profit Sharing and Incentive Plans, Personnel Records, Job Evaluation and Merit Rating, Retirement Benefits, Union Negotiations and their Functions, Collective Bargaining, workers' Participation in Management; Employee Directors.

Financial Management: Meaning the Scope; Determinants of Capital Needs; Allocation of Fixed and working Capital; Sources of Finance; Management of Long Term and Current Assets: Investment and financing Decisions; Cost of Capital.

Project Management: Preparation of Project Report; Project Appraisal under Normal, Inflationary and Deflationary Conditions; Project appraisal by Financial Institutions, the Main Terms of Loan and Underwriting Covenants and Financial Institutions.

Techniques of Management: Management by Committee, Management by Objectives (MBO); Management by Exception (MBE); Management Information Systems (MIS), PERT and CPM Techniques; Professionalisation of Management.

GROUP II – PAPERS (4 to 6)

4. INDUSTRIAL AND LABOUR LAWS

Factories Act, 1948; Workmen's Compensation Act, 1923; Industrial Disputes Act, 1947; Employees' State Insurance Act, 1948; Employees' Provident Funds (and Miscellaneous Provisions) Act, 1952; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972.

Basic Principles relating to: Payment of Wages Act, 1936; Industrial Employment (Standing Orders) Act, 1946; Trade Unions Act, 1926; Minimum Wages Act, 1948; Apprentices Act, 1961; Collection of Statistics Act, 1943; Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Law relating to Shops and Establishments.

5. ECONOMIC LEGISLATION

Part A

Principles & Provisions of: The Industries

(Development and Regulation) Act, 1951; Capital Issued (Control) Act, 1947; Foreign Exchange Regulation Act, 1973; Trade and Merchandise Marks Act, 1958; Essential Commodities Act, 1955; Indian Stamp Act, 1899; Emergency Risks Insurance Act, 1971 (both Goods & Undertakings); Securities Contracts (Regulation Act, 1956; Economic Offences (inapplicability of Limitation) Act, 1974.

Part B

Law including Rules and Regulations relating to the Monopolies & Restrictive Trade Practices Act, 1969.

Case Law and Orders under the M.R.T.P. Act, 1969.

6. TAXATION

Income-tax Act, 1961 and Rules with special relevance to Company and Personal Taxation; companies (Profits) Surtax Act, 1964; General Principles of Sales Tax and Central Sales Tax Act, General Principles as provisions of Central Excise & Salt Act, 1944, The Customs Act, 1962, Tax Planning.

Wealth Tax Act, 1957; Estate Duty (as applicable to companies); General Principles and Provisions of the Central Excises and Salt Act, 1944; the Customs Act, 1962.

Procedure relating to Filling of Returns; Appeals; Revisions; Reference & Petitions.

GROUP III-PAPERS (7 to 8)

7. COMPANY LAW

The Companies Act, 1956, including Schedules and Rules made thereunder and their interpretation.

Relevant legal decisions.

8. COMPANY SECRETARIAL PRACTICE

The procedure and administration of companies registered under the Companies Act, 1956, from their promotion of their dissolution with special reference to the work of the Company Secretary, Board of Directors and Managerial Personnel.

Secretarial Practice relating to: Promotion and Incorporation of Companies, Prospectus, Issue of Shares and Debentures, Registration of Company, Returns and Charges, Meetings (including notices received from

shareholders for amendment of resolution before meeting), Appointment and Remuneration of Managerial Personnel and Sole Selling Agents, Accounts and auditing, Arrangements, Mergers and Acquisitions, Reconstruction and Winding up.

9. SECRETARIAL PRACTICE

(Relating to Industrial, Labour, Economics and Tax Laws)

Mechanics of setting up an Industrial undertaking in India with special reference to: Industrial Licensing, Capital Issued, Import Control, Foreign Collaboration and Investment and the M.R.T.P. Act, Free Trade Zones.

Government Policy on setting up: Joint Ventures Abroad; Practice and Procedural Requirements relating to the various industrial, Labour, Economic and Tax Laws.

N.B. Candidates for the Final Examination or Professional Programme Examination will be given a choice of taking any open or all the three groups of the examination. In the event of a candidate passing in one group or two groups only he/she will be allowed to appear for and pass the remaining group(s) in any subsequent examination.

¹³⁰[SCHEDULE CC

[See Regulations 39(2), 41A (2) and 44A (2)]

PART I**SYLLABUS FOR PRELIMINARY EXAMINATION****Regulation 39(2)**

(Each paper will be of three duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates the use of Hindi as a Medium or writing for any particular subject).

PAPER 1**ENGLISH AND BUSINESS COMMUNICATION**

Level of knowledge : Good working knowledge

Objective : To develop ability to communicate clearly and correctly in written English, on matters having relevance to day-to-day business operations with emphasis on quality of presentation.

*Detailed contents**PART-A (40 Marks)**1. Essay Writing (25 Marks)*

Essay on matters of current interest to trade, commerce, industry and profession; essay writing from given facts and data.

2. Precis writing (15 Marks)

Preparation of summary of office notes; summary of matters appearing in economic and commercial dailies and

¹³⁰ Inserted by the Company Secretaries (Amendment) Regulations, 1985 Notification No. 710:2:(M)(1) the Gazette of India: Extraordinary, dated 30.12.86.

journals for use in committee meetings in the office; summary of decisions taken in meetings and conferences.

PART-B (60 Marks)

3. Business correspondence in functional departments

Essentials of a good business letter; types of letters.

(a) Personnel: Letter calling candidates for written test; drafting of interview letters; offer of appointment; provisional appointment orders; final order of appointment; employee disciplinary matters — show cause notices, charge sheets, letters of dismissal, discharge and other punishments.

(b) Purchase: Request for quotations; tenders; samples and drawings; test order; complaints and follow-up.

(c) Sales: Drafting of sales letters; circular letters; preparation of sale notes with conditions of sale on the reverse; status enquiries; preparation of market survey reports; reports to sales manager such as sales promotion matters; drafting of advertisements, etc.

(d) Accounts: Correspondence with various agencies; customers regarding dues-follow-up letters; banks regarding overdrafts, cash credits and accounts current; insurance companies regarding payment — renewal of insurance premium, claims and their settlement; public authorities like Provident Fund Commissioner, P & T authorities, etc. regarding payment of P.F. contributions, installation of new connections and payment of telephone bills, payment of sales tax, tax deducted at source.

(e) Secretarial: Correspondence with shareholders and debenture holders pertaining to dividend and interest, transfer and transmission, etc.

4. Administration and Miscellaneous

Drafting of telegraphic messages; correspondence connected with import and export of goods; correspondence with agents and transport companies; public notices and invitations; representations to Trade Associations. Chambers of Commerce and Public Authorities.

5. Inter-departmental communication

Internal memos; office circulars; office orders; office

notes representation of chief executives and replies thereto.
Communication with regional/branch offices.

6. *Preparation of press releases.*

7. *Report Writing*

BUSINESS ORGANISATION & MANAGEMENT

PAPER 2

Level of knowledge: Basic knowledge.

Objective: To acquaint the students with principals of business organization and principles of management including office management.

Detailed contents:

PART A-BUSINESS ORGANISATION (50 marks)

1. Introduction

Meaning, nature and objective of business; relationship of commerce, industry and profession.

2. Business and its environment

(a) Elements of environment of business—economic and non-economic elements and their interaction;

(b) Social responsibility of business; and

(c) Government and business.

3. Forms of business organization

(a) *Private ownership*: Sole trader; partnership; joint Hindu family; joint stock company; and co-operative society; choice of suitable form of organisation.

(b) *Public ownership*: Statutory corporations: Government companies; departmental undertakings;

(c) *Joint sector*: Organisation in joint sector.

4. Financing of business

(a) Assessing total capital requirements — fixed and fluctuating.

(b) Sources of finance; owned and borrowed funds.

(c) Capital structure; capitalization— over capitalization, under capitalization; capital gearing-factors affecting capital gearing; legal framework. (d) Major public financial

institutions— IFCI, IDBI, UTI, ICICI, IRCI, LIC, GICs, EXIM bank and SFCs; forms and purpose of financing.

(e) International finance agencies— IMF, IFC, World Bank (IBRD), Asian Development Bank, etc.

5. Marketing

Meaning; functions; channels of distribution— wholesalers, retailers, factors, brokers and agents; advertising and salesmanship.

6. Warehousing and transport

Types of warehousing — bonded warehousing, storage service; use of public warehouse; characteristics of adequate storage facilities; uses and limitations of different types of transport agencies— railways, motor carriers, water carriers and airways.

7. Insurance

Principles of life insurance, fire insurance, fire insurance and marine insurance; types of covers— accident and assault, strikes, riots and civil commotions (SRCC), comprehensive, fidelity guarantee and group insurance; reinsurance and double insurance, consequential loss of profit, reinstatement cover; ECGC's insurance cover.

8. Trade

Internal and external; various terms and documents used in connection with trade; modes of payment of home and foreign trade — letters of credit, sight drafts, bills, discounting of bills, remittance procedure.

9. Business combinations

Types and forms of business combinations; Chambers of Commerce, Trade Associations, Employers' Organisation and Trade Union— their role.

PART B-MANAGEMENT (50 marks)

10. Nature of management and its process

Meaning and nature, process, planning, organizing, directing, co-ordination and controlling

11. Planning

Policies and procedures; methods; decision-making.

12. *Organising*

Structure; principles and theories of organisation; span of management; centralization and decentralization; line and staff functions; delegation; functional organization; formal and informal organisation; growth in organization.

13. *Staffing*

Meaning; nature and functions of personnel management— selection, training and development; performance appraisal.

14. *Direction and co-ordination*

Communication, motivation, morale and leadership, internal and external co-ordination, committees in management; management of change; organisation development (O.D.)

15. *Controlling*

Concepts and basic control process; essentials of a goods control system; traditional and non-traditional control devices.

16. Professional bodies and their role in corporate sector— ICSI, ICAI & ICWAI.

PAPER 3

PRINCIPLES OF ACCOUNTANCY

Level of Knowledge : Good Working knowledge

Objective : To provide an understanding of the basic principles of accounting and their application in business.

Detailed contents:

PART-A (50 marks)

- Accounting— meaning, nature, functions and usefulness; types of accounting, accounting equation; generally accepted accounting concepts, principles and conventions
- Recording of transaction— voucher system; accounting cycle leading to

preparation of final accounts.

3. Rectification of errors.
4. Accounting for depreciation— need for the significance of depreciation; methods of providing depreciation.
5. Inventory valuation— methods, choice of method.
6. Accounting for bills of exchange — bills receivable and payable, acceptance, endorsement, discounting retirement, dishonour and renewal of bills.
7. Accounts of non-profit organisation— receipts and payments and income and expenditure accounts.
8. Single entry system — preparation of accounts from incomplete records.
9. Average due date and account current.
- 10 Control accounts i.e. self-balancing ledgers and sectional ledgers.
11. Some applied aspects of accounting:
 - (a) Postage and Stamp account
 - (b) Internal control system
 - (c) Accounting manual.

PART B (50 marks)

12. Accounting for consignments and joint ventures.
13. Branch and departmental accounts.
14. Partnership Accounts:
 - (a) Fundamentals — capital, fixed and fluctuating; adjustments for change in profit sharing ratios; revaluation of assets and goodwill; joint life policy.
 - (b) Reconstitution of the firm— admission, retirement and death of the partner; amalgamation and sale to a company
 - (c) Dissolution of partnership including piecemeal distribution.
15. Company accounts; preparation of balance sheet and profit & loss accounts as per Schedule VI and notes thereon.
16. Preparation of functional accounts— investment; voyages; royalties; packages and empties.

17. Basic principles relating to hire-purchase and lease accounting.

PAPER 4

BUSINESS LAWS AND SECRETARIAL PRACTICE

Level of knowledge : Basic Knowledge.

Objective : 1. To give an exposure to the students of some of the important commercial laws, the knowledge of which is essential for an understanding of the legal implications of the general activities of a modern business organization.

2. To familiarize the students with statutory books to be maintained by the companies under the Companies Act, 1956 and elementary aspects of secretarial work relating to joint Stock companies.

Detailed contents:

PART A-BUSINESS LAWS (60 marks)

1. Law

Meaning of law, its significance and relevance to modern civilized society; mercantile or commercial law, sources of Indian mercantile law.

2. Indian Contract Act, 1872

Contract— meaning; essentials of valid contract, nature of contract, performance of contract; termination and discharge of contract; indemnity and guarantees; bailment and pledge; law of agency.

3. Sale of Goods Act, 1930

Essentials of a contract of sale, sale distinguished from agreement to sell, bailment, contract for work and labour and hire-purchase; conditions and warranties; transfer of title by non-owners; doctrine of caveat emptor; performance of the

contract of sale; unpaid seller— his rights against the goods and the buyer.

4. Negotiable Instruments Act, 1881

Definition of negotiable instruments; instruments negotiable by law and by custom; types of negotiable instruments; parties to a negotiable instruments— duties, rights, liabilities and discharge; material alteration; crossing of cheques; payment and collection of cheques and demand drafts; presumption of law as to negotiable instruments.

5. Indian Partnership Act, 1932

Nature of partnership; and certain similar organizations — co-ownership; joint Hindu family; partnership deed; rights and liabilities of partner including those of newly admitted partner; retiring and deceased partners; implied authority of partners and its scope; registration of firms; dissolution of firms and of the partnership.

6. Elements of the Companies Act, 1956

Nature and meaning of company; kinds of companies; promotion and incorporation of a company, raising of capital borrowing powers; company management Board of directors, managing director, whole-time director, manager, etc. meetings— Board meetings; shareholders; debenture holders and creditors' meetings; register of members and debenture holders, shares and debentures; transfer and transmission of shares and debentures; accounts and audit.

PART B-SECRETARIAL PRACTICE (40 marks)

7. Role of Secretary in a Company; duties and Secretary contractual, statutory.

8. Secretarial Practice relating to:

- (a) Promotion and incorporation of companies registered under the Companies Act, 1956
- (b) Procedure for preparation of Memorandum, Articles and Prospectus.
- (c) Share certificates, share warrants— formal; issue of share certificates and duplicate share certificates.

- (d) Maintenance of statutory books, records and registers, register and index of members, register and index of debenture holders, register of directors, managers, register of charges and mortgages, register of contracts disclosing interests of directors.
- (e) Transfer and transmission of shares.
- (f) Annual returns.
- (g) Preparation for the annual general meetings, other general meetings and Board meetings.
- (h) Meetings, resolutions and minute books.
- (i) Registration of certain *resolutions* and agreements with the Registrar.
- (j) Routine correspondence with shareholders; arrangement with postal authorities for dispatch of notices, annual reports dividend warrants etc. notices from shareholders and compliance with stock exchange requirements.

SCHEDULE CC

PART II

SYLLABUS FOR Intermediate Examination or Executive Programme Examination

(Regulation 41A (2))

(Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject. Candidates are expected to be conversant with the amendments to the laws made up to six months preceding the date of examination. GENERAL LAWS AND PROCEDURES

Level of Knowledge : Reasonable working knowledge

Objective : To provide and understanding of some of the general laws and procedures thereunder, the knowledge of which is relevant or the efficient conduct of modern business.

Detailed contents

1. Introduction

Sources of Law— custom, precedent, legislation; categories of legislation; tortious liability— kinds, general defences; judicial and extra-judicial remedies.

2. Constitution of India

Board framework of the Constitution; Fundamental Rights, Directive Principles of State Policy; ordinance making power of the President and the Governor; legislative Powers of the Union and the States; freedom of trade, commerce and intercourse; Constitutional provisions relating to State monopoly; writ jurisdiction of High Courts and the Supreme Court; different types of writs— *habeas corpus*, *mandamus*, *prohibition*, *quo warranto* and *certiorari*; *delegated legislations*.

3. Interpretation of Statutes

Need for interpretation of a statutes; general principles of interpretation— internal and external aids to interpretation, primary and other rules.

4. Civil and Criminal Procedure Codes & Indian Evidence Act

- (a) Code of Civil Procedure, 1908: Elementary knowledge of the structure of civil courts, their jurisdiction— pecuniary jurisdiction; territorial jurisdiction; basic understanding of certain terms— order, judgment and decree, stay of suits, *res judicata*, suits by companies, minors; basic understanding of summary proceedings; appeals; reference, review and revision.
- (b) *Criminal Procedure Code, 1973*: Offences— mens rea, cognizable and non-cognizable offences; bail; continuing offences; searches; limitation for taking cognizance of certain offences.

- (a) Indian Evidence Act, 1872: The object of the study of the law of evidence; relevant facts; *res gestae* ; motive, preparation and conduct; admissions; confessions; facts of which evidence need not be given; facts of which evidence cannot be given; Oral documentary and circumstantial evidence.

5. Transfer of Property Act, 1882

Important definitions; movable and immovable property; properties which cannot be transferred; rule against perpetuities; *Lis pendens*; provisions relating to sale, mortgage, charge, lease, gift and actionable claim.

6. Specific Relief Act, 1963

Instances where specific performance is allowed; recovery of movable and immovable property; persons against whom specific performance can be enforced; discretion of court; preventive relief.

7. Arbitration Act, 1940

Arbitration agreement— format; appointment of arbitrator/umpire; powers of the arbitrator; award— remission, setting aside, modification and filing thereof; stay of legal proceedings— effect of legal proceedings on arbitration; conduct of arbitration proceedings; a brief idea of foreign awards; Arbitration Agencies— Indian Council of Arbitration, Trade Associations, etc.

8. Limitation Act, 1963

Computation of period of limitation for different types of suits— continuous running of time; extension of period of limitation and writs under the constitution.

9. Registration Act, 1908

Registrable documents— compulsory and optional time and place of registration; consequences of non-registration; description of property; miscellaneous provisions.

10. Indian Stamp Act, 1899

Methods of Stamping; consequences of non-stamping and understanding; impounding of instruments; construction

of instruments for determination of stamp duty payable; adjudication; allowance and refund; penalty provisions.

11. Indian Trust Act, 1882

General concepts relating to trusts; creation of trusts; duties and liabilities of trustees; rights and powers of trustees; disabilities of trustees and rights and liabilities of the beneficiary.

12. The Societies Registration Act, 1860

General concepts relating to registration of societies; property of societies how vested; suits by and against societies; enforcement of judgment against societies, dissolution of societies.

*Note: The topic 'Constitution of India' shall carry 25 marks and question/questions from the same shall be compulsory.

GROUP-I PAPER 2

INDUSTRIAL LAWS AND PRACTICE

Level of knowledge : Good working knowledge

Objective : To acquaint the students with the provisions of various industrial and labour laws and the rules made thereunder and the principles and practice of personnel administration.

Detailed contents

PART-A (60 marks)

1. Factories Act, 1948

Objects; provisions relating to health, safety, welfare, working hours, leave, etc. of workers; approval, licensing and registration of factories; manager and occupier— their obligations under the Act; powers of the authorities under the Act; penalty provisions.

2. Workmen's Compensation Act, 1923

Objects; employer's liability for compensation; amount of compensation; method of calculating wages; review;

distribution of compensation; notice and claims; statements regarding fatal accidents; medical examination, remedies of employer against stranger; liability in the event of the company in winding-up proceedings; returns as to compensation; Commissioners for workmen's compensation.

3. Industrial Disputes Act, 1947

Objects; industrial disputes; authorities for settlement of industrial disputes; reference of industrial disputes— procedure, powers and duties of authorities; settlements and awards, strikes; lock-outs; lay-off; retrenchment; transfer and closure, unfair labour practices; miscellaneous provisions — offences by companies conditions of service to remain unchanged under certain circumstances, etc.

4. Employee's State Insurance Act, 1948

Objects; registration of factories and establishments; the Employee's State Insurance Corporation, Standing Committee and Medical Benefit Council; provisions relating to contribution; inspectors— their functions and duties; benefits under the Act; adjudication of disputes and claims; offences and penalties; miscellaneous provisions.

5. Employee's Provident Funds and Miscellaneous Provisions Act, 1952

Objects; employees' provident fund and other schemes; determination and recovery of money due from employers; appointment of inspectors and their duties; provisions relating to transfer of accounts and liability in case of transfer of establishment; exemption under the Act; court's power under the Act.

6. Payment of Bonus Act, 1965

Objects; computation of available surplus; calculation of direct tax payable by the employer; eligibility for bonus and payment of bonus, deduction from bonus payable; adjustment of customary or interim bonus; bonus linked with production or productivity; set-on and set-off of allocable surplus, presumption about accuracy of balance sheet and profit and loss account.

7. Payment of Gratuity Act, 1972

Object; payment of gratuity; exemption, nomination; determination and recovery of the amount of gratuity

8. Wages and Workmen

- (a) Payment of Wages Act, 1936: Objects; provision relation to responsibility for payment of wages; fixation of wage periods, time of payment, deduction and fines; maintenance of records and registers; inspectors; appointment of authorities and adjudication of claims.
- (b) *Minimum Wages Act, 1948*: Objects: fixing of minimum rate of wages; procedure for fixing and revising minimum wages; appointment of Advisory Board; payment of minimum wages; maintenance of registers and records; contracting out; powers of appropriate Government; offences and penalties.

9. Industrial Employment (Standing Orders) Act, 1946

Objects; provisions relating to certification and operation of Standing Orders; duration and modification of Standing; power of certifying officer; interpretation of Standing Orders.

10. Apprentices Act, 1961

Objects; contract of apprenticeship; qualification; reservation of training places for scheduled castes and scheduled tribes; practical and basic training; working conditions; authorities and their powers.

PART-B (20 marks)]

11. Miscellaneous Labour legislations

- (a) Collection of Statistics Act, 1953: Objects; collection of statistics; powers of statistics authority; restriction on the publication of information on and returns.
- (b) *Contract Labour (Regulation and Abolition) Act, 1970*: Objects; Advisory Boards; registration of establishments; prohibition of employment of contract

labour; licensing of contractors; welfare and health of contract labour; penalties and procedure; effect of laws and agreements inconsistent with the Act.

- (c) Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959: Objects; notification of vacancies to employment exchanges.
- (d) Equal Remuneration Act, 1976: Objects; overriding effect of the Act; duty of the employer to pay equal remuneration to men and women workers; Advisory Committee; inspectors; non-application of the Act in certain special cases.
- (e) Trade Unions Act, 1926: Objects; registration of trade unions, rights and liabilities of registered trade unions— procedure; penalties.
- (f) Law relating to shops and establishments: Objects of law relating to shops and establishments; meaning of some important terms— shops, establishments, employer, employee, etc.; registration of establishments; provisions relating to working hours, holidays; leave, employment of adults and children, wages, etc. (This study will be based on the provisions of the Delhi Shops and Establishment Act, 1954).

PART-C (20 marks)

12. Personnel Administration-Principles and Practice

Nature and scope of personnel administration; organization of the personnel department; manpower planning, recruitment, selection, placement and induction, manpower training and development; performance appraisal; promotions and transfers; demotion; motivation; communication system; introduction to industrial relations.

GROUP-I PAPER 3

TAX LAWS

- Level of knowledge : Good working knowledge
- Objective : To provide an understanding of the provisions with regard to
- (a) direct tax laws relating to assesses other than companies, and
 - (b) indirect tax laws.

Detailed contents

PART-A DIRECT TAX LAWS (60 marks)

1. *Income-tax Act, 1961*

- (a) Definitions; concept of income; resident and tax liability, distinction between capital on revenue receipts, incomes exempt from tax.
- (b) Computation of income under various head— salaries, interest on securities, income from house property, capital gains, profits and gains, income from other sources; various deductions permissible under different heads and deduction from gross total income; set off and carry forward to losses; relief and rebate in respect of income tax; relevance of choice of previous year.
- (c) Taxation of individuals including non-residents; Hindu undivided families; firms; associations of persons; cooperative societies; trusts and charitable and religious institution etc. excluding companies.
- (d) Income-tax authorities— their appointment, jurisdiction payments.
- (e) Deductions of tax at source while making certain payments.
- (f) Payment of advance tax filing of return of income; assessments; collection and recovery of tax; refund of tax; reopening and rectification of earlier assessments; revision by Commission; appeals and references; Appellate Tribunal and its powers.
- (g) Offences, prosecutions, penalties and interest

payable, search, seizure, confiscation and attachment of property.

2. *Wealth Tax Act, 1957*

Chargeability, assets, deemed assets and assets exempt from tax, valuation of assets to be included in net wealth but on which wealth tax is not payable; computation of net wealth; return of wealth; assessment, re-assessment, liability to assessment in special cases; payable and recovery of wealth tax, rectification and reopening of assessments; offences, penalties and prosecutions; appeals, revisions and reference.

3. *Gift Tax Act, 1958*

Meaning of gift, taxable gifts, deemed gifts; gifts exempt from tax; advance payment of tax, filing of return of gifts; assessment, re-assessment; penalties.

PART B -INDIRECT TAX LAWS (40 marks)

4. *Central Excises and Salt Act, 1944*

Meaning, nature and scope of levy of duties of Central Excises; types of duties; manufacture— meaning of; valuation of goods for levy of duty; payment of duties of excise and removal of goods; assessment; recovery and refund of duties of excise; appeals; offences.

5. *Central Sales Tax Act, 1956*

Scope of levy of tax under the Act— inter-State and intra-State sale, sale in the course of import and export; exemptions from the levy; declaration forms; assessment; recovery and refunds of central sales tax; appeals; offences; constitutional provisions relating to Central Sales Tax; the Constitution (46th Amendment) Act, 1982 relating to Consignment Tax.

6. *Customs Act, 1962*

Nature of restrictions on import and export under the Act; clearance of goods from the port; transport and warehousing thereof; levy of, exemptions from the collection of customs duties; drawback of duties of customs; appeals; offences.

GROUP-I PAPER 4**ECONOMIC AND OTHER LEGISLATIONS**

Level of knowledge : Expert knowledge
 Objective : Provide an in-depth knowledge of certain economic and other legislations which have relevance to the functioning of companies.

Detailed contents

PART A - (60 marks)

1. Monopolies and Restrictive Trade Practices Act, 1969

Genesis of the legislation; brief study of analogous legislations in other countries; objects and definitions; concept of concentration of economic power— regulatory mechanism, the role of the Central Government, the MRTP Commission and other authorities in relation thereto; monopolistic, restrictive and unfair trade practices; surveillance and control over certain trade practices; consumer protection; enquiries into certain trade practices; nature and effect of orders passed after the enquiry; prosecution and penalties under the Act; miscellaneous matters.

2. Industries (Development and Regulation) Act, 1951

Objects and definitions; regulatory mechanism under the Act— registration and licensing of industrial undertakings exemptions from licensing provisions; Central Government's power in regard to take-over of management of industrial undertakings— investigation and take-over of management; effects of Central Government's orders; miscellaneous provisions.

3. Foreign Exchange Regulation Act, 1973

Objects and definitions; nature of restrictions under the Act— employment of non-residents in India, establishment of a place of business of India, non-resident investment, remittance of proceeds in connection with imports, payment of travelers cheques, drafts etc. drawn in foreign currency; bank account by non-residents-Non-resident (External)

Account and Foreign Currency (non-resident) Account; offences and penalties; miscellaneous provisions.

4. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

Objects; powers detention of certain person— execution of detention orders, regulation of place and conditions of detention; absconding persons.

5. Foreign Contribution (Regulation) Act, 1976

Objects and definitions; regulation of foreign contribution and hospitality; powers of inspection of accounts, records and seizure thereof; offences by companies; adjudication and appeals.

PART B - (40 marks)

6. Urban Land (Ceiling and Regulation) Act, 1976

Objects; ceiling on vacant land and exemptions therefrom; transfer of vacant land; statements by persons holding excess land; acquisition of vacant land; regulation of transfer and use including mortgages of urban property; functions of tribunals under the Act.

7. Standards of Weights and Measures Act, 1956

Objects; standard units; physical representation of standard units; standard weights and measures; owners of the Authorities appointed under the Act; provisions relating to packaged commodities; offences.

8. Essential Commodities Act, 1955

Objects; powers of the Central Government, seizure and confiscation of essential commodities; summary trial; relevant rules and orders.

9. Trade and Merchandise Marks Act, 1958

Objects and definitions; registration of trade-marks; licensing and assignment of trade marks; rectification and removal of marks from the register; passing-off and infringement of marks; certification trade marks.

10. Copyright Act, 1957

Objects; meaning of copyright; works in which copyright exists; terms of ownership in and licensing of copyright; registration of copyright; performing rights societies and broadcasting authorities; international copyright; infringement of copyright and remedies therefore; offences.

11. Patents Act, 1970

Objects; meaning of patent; registration of patents; secrecy directions; Controller of Patents — his power; surrender and revocation of patents; infringement of patents and remedies therefore; patent agents; international arrangements; miscellaneous provisions.

12. Imports and Exports (Control) Act, 1947

Objects; nature and scope of prohibitions under the Act on imports and exports; import export licensing; control orders; search, seizure and confiscation of goods; offences.

13. Pollution control laws

- (a) Objects and salient features of the Air (Prevention and Control of Pollution) Act, 1981— Various Boards and their functions and powers; duties of occupier of specified industries to ensure adherence to standards; offences by companies.
- (b) Objects and salient features of the Water (Prevention and Control of Pollution) Act, 1974— functions and power of Central, State and Joint Boards; compliances regarding discharges causing pollution; penalties and offences.

14. Securities Contracts (Regulation) Act, 1956

Formation of stock exchanges and their recognition by Central Government; role and functions of recognized stock exchanges; membership of stock exchange— qualifications and disqualifications; methods of dealing by members and Government regulations.

15. Capital Issues (Control) Act, 1947

Objects; powers of the Central Government under the Act; nature and types exemptions envisaged under the Act; usual conditions attached to consents for capital issues— issue of fresh shares, private placements, bonus shares,

debenture and bond issues; guidelines framed under the Act and their significance.

GROUP-II PAPER 5

COMPANY LAW AND PRACTICE-I

Level of knowledge : Expert

Objective : To provide a thorough knowledge of the provisions of the Companies Act, 1956 as regards the various topics enumerated below and to give orientation on procedural requirements relating thereto.

Detailed contents

1. Company— meaning and characteristics; brief history of Company Law in India; company as distinguished from other association of persons; types of companies, foreign companies, Government companies— special privileges and exemptions enjoyed and accountability; private companies, holding companies and subsidiary companies, investment companies, finance companies and FERA companies; A brief study of statutory corporations.
2. Promoters: Meaning and importance; position, duties and liabilities.
3. Constitution of the Company: Incorporation of a company— private limited, public limited, public limited, company limited by guarantee or company for charitable or other public utility purposes; documents to be prepared and filed— Memorandum of Association; Articles of Association and their alterations; incorporation contracts; procedure for conversion of a private limited company into a public limited company and vice-versa, conversion of a sole-proprietorship concern of partnership firm into a limited company, commencement of business and commencement of a new business of an existing company.

4. Prospectus: Definition of prospectus; statement in lieu of prospectus — contents, form, and registration; fraudulent inducement of misrepresentations in prospectus and penalties therefore.
5. Share Capital: Share— Meaning and types; issue of shares at premium, a discount; private placement, office for sale; consent over issues of capital under the Capital Issues (Control) Act, 1947; underwriting commission and brokerage; allotment and return of allotment; forms to be filed with Registrar of companies; listing of shares; stock-exchange regulations under Securities Contracts (Regulation) Act, 1956; FERA restrictions; transfer and issue of shares to non-residents; share certificates and warrants; calls, forfeiture and re-issue; further issue and issue of bonus shares; transfer and transmission of shares; redemption of redeemable preference shares; alteration and reduction of capital.
6. Members; Mode of obtaining membership, minimum and maximum number of members, cessation of membership; personation and penalty therefore; index of members; register of members— entries, rectification and closure; rights and liabilities of members, variation of members rights.
7. Investment and borrowing powers: Investment of company's fund— preconditions, investments in other companies and bodies Corporation; loans to companies under 'same management'.
 - (a) Debentures: meaning and definition; types; issue, redemption and conversion of debentures; debenture trust deeds; index of debenture holders ; register of debenture holders and its rectification; debenture v. shares; special provision and to debentures; provisions of the Securities Contracts (Regulation) Act, 1956 and Capital Issues (Control) Act, 1947, concerning debenture issues.
 - (b) Mortgages and Charges: meaning and types; registration of charges; consequences of non-

registration; various registers of charges; rectification of the register of charges; satisfaction and modification of charges.

- (c) Company deposits: meaning; conditions for accepting deposits from the public including non-residents under FERA; Companies (Acceptance of Deposits) Rules, 1975; other requirements relating to public deposits.
8. Sole selling and buying agents; meaning; appointment and reappointment; removal; powers of the Central Government; the Companies (Appointment of Sole Agents) Rules, 1975.
 9. The law relating to the majority powers and minority rights.
 10. Prevention of oppression and mis-management.
 11. Arbitration, compromises, arrangements and reconstructions.
 12. Registration offices, officers and fees
 13. Winding up; modes of winding up, winding up by court and voluntary winding up; commencement of winding up; consequences of winding up order; powers of liquidators; conduct of winding up; winding up of unregistered companies.

GROUP-II PAPER 6

COMPANY LAW AND PRACTICE-II

Level of knowledge : Expert

Objective : To provide a thorough knowledge of the provisions of the Companies Act, 1956 as regards the various topics enumerated below and to give orientation on procedural requirements relating thereto.

Detailed contents

1. Secretary

Definition of secretary; importance, position, qualities and qualifications— The Companies (Secretary's Qualifications)

Rules, 1975; appointment and dismissal; powers, duties and liabilities— statutory and contractual; role of company secretary— as statutory officer, as coordinator and as chief administrative officer.

2. Practising Company Secretary

Definition of company secretary; who can practice; areas of practice; certification by practicing company secretary; professional duties and code of conduct; provisions of the Company Secretaries Act, 1980 and the Company Secretaries, Regulations, 1982; case law relating to professional conduct, etc.

3. Director, Managing Director, Whole-time Director and Manager

Definition; types of directors— their qualifications and disqualifications; number of directors, manner of appointment and reappointment; vacation of office— retirement, resignation, removal; powers, duties and liabilities of directors; loans to directors etc., managerial remuneration; compensation for loss of office;

Interested director — position of a director interested, in a contract, appointment of a director or his relative etc. to an office or place of profit in the company.

Register of Directors— particulars to be entered, Register of contracts in which directors are interested; their maintenance and inspection; detailed procedure relating to appointment and removal of directors, managing director, manager, whole-time directors, secretary and other managerial personnel and matters consequential and incidental thereto.

4. Meetings

Meaning; kind of company meetings— meetings of shareholders—statutory, annual general, class, requisitioned and other general meetings; meetings of debenture holders and creditors; meetings of Board of directors and committees thereof; Requisites of a valid meeting, agenda, quorum, proxy, chairman; motion; amendment; resolution, sense of the meeting; adjournment and postponement; practical

aspects of drafting of notices, resolutions, Explanatory statements and minutes; matters requiring ordinary resolutions, special resolutions and special notice.

5. Registers and Returns

Registers and Books to be kept—period of preservation of Records by the companies and in the office of Registrar; Annual Returns; Periodical Returns; preparation and filing of Returns with the Registrar of Companies— an overview.

6. Divisible Profits and dividends

Ascertainment of divisible profits and dividends— the Companies (Transfer of Profits to Reserves) Rules, 1975, the Companies (Declaration of Dividend out of Reserves) Rules, 1975.

Declaration of dividend on equity and preference shares— interim dividend, final dividend.

Payment of dividend— divided warrants; unpaid and unclaimed dividend and its payment; payment to non-residents and FERA provisions.

Payment of interest out of capital.

7. Accounts and Audit

Statutory books to be kept; form the contents of Balance Sheet and Profit and Loss Account; disclosure of the accounts of subsidiary companies; determination of net profits, Directors' report and chairman's speech. Auditor-qualifications, appointment, term of office, resignation and removal; rights, duties and liabilities of auditors; branch audit; powers of the Central Government to direct special audit; Cost accounting records and cost audit; social audit— The Manufacturing and Other Companies (Auditor's Report) Order 1975, Auditor's Report and explanation.

8. Inspection and Investigation

Inspection of documents, books of accounts registers etc., power of the Registrar of Companies to call for information.

Investigation of the affairs of the Company and its ownership, powers of the inspector, seizure of books and documents; inspector's report.

GROUP -II PAPER 7

COMPANY ACCOUNTS-TREATMENT AND PROCEDURES

Level of knowledge : Good working knowledge

Objective : To provide thorough knowledge of accounting treatment and procedure in company form of organization

Detailed contents

1. Statutory records of accounts to be maintained by a company— provisions of the Companies Act, 1956.
2. Accounting for share capital transactions — opening of separate bank account, adjustment of excess application money; issue of shares at par, at premium and at discount— accounting treatment and procedure relating to disclosure of premium and discount in the balance sheet; brokerage and underwriting of shares; forfeiture and re-issue of shares; surrender of shares; alteration of share capital; redemption of preference shares statutory requirements, disclosure in annual return/balance sheet.
3. Issue of debentures— accounting treatment and procedure relating to underwriting of issue of debentures, redemption and conversion of debentures; acceptance of deposits— basic requirements, treatment of interest, deduction and payment of tax etc.
4. Treatment of preliminary expenses and preparation of Statutory Report.
5. Acquisition of business including treatment of profits prior to incorporation.
6. Preparation and presentation of final accounts of joint stock companies— requirements of Schedule VI; depreciation, rates of depreciation (relevance of Income-tax Rules); provisions and reserves; transfer of profits to reserves and rules relating thereto; payment of dividend out of reserves and rules relating thereto; Rules for computation of net profits of the company,

appropriation out of profits; determination of managerial remuneration— principles of calculation, accounting treatment for dividends, debenture interest payable, bonus shares, and payment of interest out of capital; audit queries— notes on accounts and audit report, subsequent amendments to audited accounts— disclosure, Board's observations on qualifications in Auditor's Report.

7. Accounting treatment for amalgamation, absorption and reconstruction of companies.
8. valuation of goodwill and shares.
9. Holding and subsidiary companies (including chain holding and cross holding)— accounting treatment and disclosure.
10. Liquidation accounts.
11. Final accounts of Banking companies, Insurance Companies, Electricity companies and Hotels.
12. Insurance claims.
13. Accounting Standards— relevance and significance.
14. Preparation and presentation of Accounts of Government Companies and statutory corporations.

Notes: The syllabus requires knowledge of "Principles & Practice of Accountancy" Paper of Preliminary syllabus and questions set in this paper do not preclude application of knowledge of the contents of that paper. Theory questions will ordinarily be based on the provisions of the Companies Act, 1956 which have a bearing on the preparation and presentation of company accounts.

GROUP -II PAPER 8

COST AND MANAGEMENT ACCOUNTING

Level of Knowledge : Good working knowledge

Objective : To acquaint the students with the basic concepts used in cost accounting and financial management having a bearing on management decision making.

*Detailed contents**PART A -COST ACCOUNTING- TREATMENT AND
PROCEDURE (50 marks)**1. Cost Accounting*

Meaning and uses of cost accounting; various cost concepts; organisation of cost accounting department and its integration with other departments; establishing costing system.

2. Elements of Cost

(i) Material Cost: meaning of inventory; object of material and inventory control, methods of inventory control—ABC Analysis; fixation on levels, etc.; purchasing and storing procedures; methods of inventory valuation; pricing material issues and receipts, accounting and control of normal and abnormal wastages; spoilage and defectives.

(ii) Labour Cost: classification of labour costs and various labour cost records; treatment and control of labour turnover; idle time; leave with pay; casual workers; overtime; apprenticeship and training cost, labour cost control reports to the management.

(iii) Direct expenses: meaning, importance and control.

(iv) Overheads: meaning and classification overheads; allocation of overheads, absorption and control of overheads.

3. Methods of Costing

Job and process costing; treatment of by-products and joint products.

4. Budgets and Budgetary Control

Preparation of various types of budgets; advantages and limitations of budgetary control; budgetary control reports to management.

5. Standard Costing and Variance Analysis

Meaning and advantages; standard costing distinguished from budgetary control; types of standards; determination of standards; variance analysis; meaning and types of

variances; disposal and reporting of variances to management.

6. Cost Audit

Meaning and objects; cost audit distinguished from financial audit and management audit; types of cost audit; scope, functions and advantages of cost audit; Cost Audit Report Rules.

7. Variable Costing

Conceptual framework; variable costing distinguished from absorption costing — income determination under variable and absorption costing, application of variable costing, contribution concept and decision making, limitations of variable costing.

8. Cost-volume-profit relationship, break-even analysis, Profit Planning and Pricing:

Meaning, construction of break-even charts, Profits graphs, limitations of break-even analysis, profit planning and pricing decisions.

PART-8 MANAGEMENT ACCOUNTING (50 marks)

9. Management Accounting

Meaning and nature, management accounting distinguished from financial and cost accounting; scope and role of management accountant; nature, importance and techniques of financial management.

10. Preparation of Financial Statements and determination of income

Various financial statements; nature, objectives, income determination and various concepts relating thereto; inventory valuation, depreciation policy, inflation accounting i.e. effect of price level changes, foreign exchange fluctuations and translation methods of foreign currency and their disclosure in financial statements.

11. Interpretation and analysis of Financial Statements

Ratio analysis; latest trends in presenting financial data, limitations of financial statements.

12. Cash Flow and Fund Flow Statements and their analysis

Concepts of 'funds' and 'flows'; fund flow statement—importance, steps in preparation; distinction between cash-flow and funds flow statements.

SCHEDULE CC

PART III

(See Regulation 44A(2))

SYLLABUS FOR FINAL EXAMINATION

(Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject. Candidates are expected to be conversant with the amendments to the laws made up to six months preceding the date of examination.)

GROUP -I PAPER 1

FINANCIAL MANAGEMENT

Level of knowledge : Advanced.

Objective : To provide a thorough knowledge of the techniques of financial planning, control and decision making.

Detailed contents:

1. Nature of financial management

Nature of investment and financing decisions; decision criteria— liquidity, profitability, costing and risk the are and science of financial management.

2. Techniques of Financial Forecasting

Fund flow analysis; ratio analysis; projected financial statements.

3. Working Capital Management and Control

Working capital leverage; current assets and fixed assets

financing; structure of current assets and liabilities; operating cycle concept and applications of quantitative techniques; working capital management of seasonal industries, sick industries and cooperatives; current assets management in public sector; banking norms and macro aspects of working capital management.

4. Security Analysis and Portfolio Management

Indian capital market and securities; recasting of published accounts and analysis of prospectus; forecasting of future earnings; the interest rate structure and yield to maturity curve; earnings and dividend model; Markowitz approach and some application.

5. Project Planning

Concept of cost of capital and determining the rate of return for project decision; preparation of project report; project appraisal under normal, inflationary and deflationary conditions; project appraisal by financial institutions; lending policies and appraisal norms by IFCI, IDBI and the ICICI—usual conditions in terms loan agreement; loan for modernization and renovation—concessions; loans syndication; monitoring the progress of units assisted by financial institutions; social cost and social benefit analysis of project and follow up of project.

6. Capital Budgeting

Planning and control of capital expenditure; capital budgeting process; investment criteria—pay back period accounting rate of return, discounted cash flow methods—net present value method, internal rate of return method; choice of methods; risk evaluation and sensitivity analysis, simulation for risk evaluation; linear programming and capital budgeting decisions; cost of capital and its application in capital budgeting decisions.

7. Sources of Company Finance

Equity and preference shares; debentures and bonds; company deposits; term loans from financial institutions and bank, international finance and syndication of loans; internal funds as a source of finance; dividend policy and Retention of

profits— bonus shares; Government regulations on issue of securities in India; deferred payment arrangements; financing from foreign sources; basic valuation concepts; corporate taxation and its impact on corporate financing; financing cost escalation.

8. Dividend Policy

Different dividend theories; dividend policy — practical considerations and legal constrains; corporate dividend practices in India— statutory framework.

9. Restructuring and expansion decisions

Diversification and divestment strategies; new projections and acquisition; mergers and amalgamation— setting up joint ventures abroad; joint sector projects and investment structure.

10. Employee benefits and financial planning

Nature of benefits— statutory and customary; implications of welfare schemes on short term and long term finances; retirement benefits and financial implications— future projections and provisions in the accounts.

11. Acquisitions and takeover

Strategies; share valuation and price bidding; comparative cost calculations of takeovers and new venture proposals.

GROUP -I PAPER 2

CORPORATE PLANNING AND MANAGEMENT INFORMATION

Level of knowledge : Good working knowledge

Objective : To develop an understanding of various technique techniques used for better planning and control to enable the company secretary to discharge controllership functions effectively.

Detailed contents:

PART A -CORPORATE PLANNING (40 marks)

1. Corporate Planning and Policies

The concept and the need; business philosophy and corporate planning; techniques of corporate planning; determinants of corporate planning; corporate policy; strategic framework.

2. Corporate Control

Various management control techniques; variables of managerial performance; developing objective standards for measuring variables; analysis of input— in terms of engineered capacity and managed cost; concept of responsibility accounting; reporting system for control of performance of organizational unit, division, departments, cells, etc. control of important functions and activities.

3. Controllership

The Concept of controllership; functions of controllership; the function of legal reporting, the function of property control; the controller and the management function; organization of the controller's department; the controller and forward planning; his place in the organization and changing role of corporate controller in the corporate world.

PART B -MANAGEMENT INFORMATION (60 marks)

4. Management Information Systems

Meaning, nature and basic requirements of Management Information System; its needs, purpose and significance; Recognising the need to provide different types of information at different levels of management.

5. Systems Analysis and Design

Fundamental principles of systems and sub-systems structures; tools for making systems analysis and design. Principles of Systems analysis and design of Management Information System. Building of Management Information Systems — Case studies. Application Management Information Systems theory to actual problems in Industry/Government.

Introduction to file structure and data management systems, data base.

Systems Analysis and Design for computer applications — real life problems.

6. Quantitative Techniques for Business Decisions

Linear Programming— basic concepts. Inventory Control— Application of EOQ model in production process. Queuing theory; Replacement models; Sequencing models; PERT/CPM techniques; Games and Strategies.

7. Computer Concepts and Programming

History of computers, generation of computers, components of computer. Number systems for computers— Binary, Octal and Hexadecimal, Data representation and coding systems.

Minicomputers and Microcomputers; Batch processing. Multiprogramming, Multiprocessing and Time Shaping. Real Time Systems; Distributed data processing.

Computer memory, auxiliary storage— magnetic tapes and magnetic disks. Data entry systems—key punch, key to tapes, key to disks and terminals.

Computer Software— operating systems, compilers, utilities. Computer programming — flow charting, COBOL programming.

Computer Applications in Financial Accounting, Invoicing, Inventory Control, Bills receivable and Payroll.

Privacy, Security and the Computer.

Note: Rudimentary knowledge of basic concepts relating to Part B of the Paper is expected from the candidates.

GROUP –1 PAPER-3

MANAGEMENT CONTROL & AUDIT

Level of knowledge : Good working knowledge.

Objective : To provide adequate knowledge of advanced management techniques viz., internal control, internal audit, management and operation audit and secretarial audit.

Detailed contents:

PART A -INTERNAL CONTROL (25 marks)]

1. Meaning and nature of internal control; internal control questionnaires; flow charts; systems audit; internal auditing; audit in depth; statistical sampling and auditing.

2. Use of ratios and percentages for comparisons and analysis of trends; intra-firm and inter-firm comparisons; inter-industry comparisons.

PART B -INTERNAL AUDIT (25 marks)

3. Nature and scope of internal auditing — financial and non financial; internal control vs. internal audit; propriety audit; compliance audit; pre and post audit work; impact of the Manufacturing and Other Companies (Auditor's Report) Order, 1975 on internal auditing function; selection and organization of the internal auditing function. Selection and training of staff — assignment of audit projects; organizational status of the internal auditing function— scope for audit; detailed checking vs. sampling plans; statistical sampling as used in internal auditing — audit committees.

4. Scope of internal audit; planning the internal audit assignment; familiarisation; preparing checklist; audit programmes.

5. Field work— collecting evidence— interviews; memorandum audit notes and working papers.

6. Audit reports, follow up; auditor — client relationship.

7. Internal audit and prevention of frauds; internal audit's role in improving corporate performance; coordination between internal and external auditors.

*PART C-MANAGEMENT AND OPERATION AUDIT
(25 marks)*

8. Concept of management and operation audit; its nature and purpose; evaluation of management control systems; concept of efficiency audit; concept of propriety audit for public sector companies with special reference to Section 619 of the Companies Act; special audit under Section 233A.

9. Review of internal control, review of purchasing operations, review of efficacy of management information system, review of selling and distribution policies and programmes, review of manufacturing operations, review of personnel policies, appraisal of management decisions.

PART D -SECRETARIAL AUDIT (25)

10. Need and scope of secretarial audit— concept of practicing company secretary; certificate of practice.

11. Secretarial auditor— appointment, duties, disqualifications, dismissals, number of audits, period audit.

12. Secretarial audit report— meaning and scope, important points to be noted by a secretarial consultant/auditor before taking up secretarial audit; check list/working sheet for secretarial compliance under The Companies Act, 1956, The M.R.T.P. Act, 1969, The Capital Issues (Control) Act, 1947, The F.E.R.A. 1973, The Securities Contracts (Regulation) Act, 1956, etc.

13. Appraisal areas, methods of appraisal, analysing performance.

14. Social responsibility of secretarial auditors; ideology; code of conduct; professional standards, continuing education; interaction with other professions.

GROUP -II PAPER-4

CORPORATE TAX MANAGEMENT AND PLANNING

Level of knowledge : Advanced.

Objective : To develop the abilities of application of knowledge of a high order to

corporate activities keeping the tax planning and management aspect on the forefront.

Detailed contents:

1. Basic framework of direct tax laws in India:

Different direct tax laws and their interrelationship in the scheme of taxation in India; importance of Income-tax Act and annual Finance Acts; the concept of prior tax rulings.

2. Corporate Income-tax in India:

Income-tax and Surtax liabilities of companies; classification of companies and tax incidence under the Income-tax Act.

3. The concept of tax planning:

Meaning and scope; tax planning differentiated from tax evasion and tax avoidance; need for tax planning; methodology for tax planning; tax planning with reference to type of activity, scale of activity; ownership patterns, locational aspects etc.; limitations on the tax planning exercise— flexible planning premises; planning in the context of court rulings and legislative amendments.

4. Tax Planning and financial management:

Capital structure of a company and tax incidence; tax as a variable in computing cost of capital; tax considerations in dividend policy and bonus share issue; taxation of intercorporate dividends and transfers.

5. Setting up of new business and tax planning:

Various deductions available to new industrial undertakings; tax planning and managerial considerations; amalgamation and mergers and tax planning — merger with sick units; planning for tax holidays benefits.

6. Foreign collaboration and joint venture agreements:

Basic principles; taxation of non-residents; special deductions; foreign collaboration agreements and tax implications; joint ventures abroad and tax considerations; procedure for joint ventures and foreign collaborations.

7 Tax consideration with regard to specific management decisions:

Make or buy, own or lease, return or replace, prepare or renovate, now or later, slow or faster, close or continue; tax consideration relating to variation of portfolio of assets, change of previous year; cash and mercantile systems of accounting — relevance for tax purposes.

8. Employee remuneration:

Tax implication of employees compensation schemes— wages, salaries, gratuity, perquisites, bonus, commission, etc., managerial remuneration— tax implications and planning consonant with company law requirements.

9. Companies (Profits) Surtax Act, 1964:

Scope for planning; provisions and reserves— their relevance and disclosure in accounts on surtax incidence; filing of returns and appellate procedure.

10. Tax management

Areas of tax management— choice of accounting year deduction of tax at source, advance payments of tax, filing of returns of income, defaults and penalties, organization of tax planning cell; importance of tax management while claiming allowance, exemptions and deductions; the organizational problem of tax management— review of agreements and contracts from tax point of view; review of assessment orders in order to decide the availability of further appeal, revision, review or rectification; drafting grounds of appeal, arguments on appeal, memoranda to the CBDT and other similar applications.

11. Wealth-tax Act, 1957

Wealth tax on closely-held companies, valuation of assets; filing of returns of wealth tax, assessment and appeals; revision, rectification and review; planning *vis-a-vis* court decisions and legislative amendments.

GROUP -II PAPER 5

INDIRECT TAXATION -LAW AND PROCEDURES

Level of knowledge : Advanced.

Objective : To provide advanced knowledge of the law and procedure relating to Central Excise, Customs and Central Sales Tax and to integrate the relevance of these laws with financial planning and managerial decisions.

Detailed contents:

1. Introduction

Special features of indirect tax levies— all pervasive nature, contribution to Government revenues; fiscal preference as instrument of planning and development — role of indirect tax laws; tax planning and tax management— meaning and significance.

2. Central Excises and Salt Act, 1944

Nature of levy of excise duty; classification of excisable goods; price lists and their significance; valuation of excisable goods; central excise licensing — detailed procedure.

Clearance of excisable goods— procedure under physical control, compounded levy scheme and self-removal procedures; gate passes, Personal Ledger Account and Daily Stock Accounts.

Exemption from excise duty levies— nature and types of exemption notifications.

Procedure for clearance of samples, semi finished goods and return and retention of duty— paid goods.

Tariff Item 68 — significance of the levy, exemption and clearance procedure.

Set-off of duties— meaning, schemes of set-off and details of procedure.

Duty drawback claims— eligibility, procedure and formalities for compliance.

An overview of Accounts, Records and Returns to be maintained/filed under the Act.

Adjudication and Appeals — detailed procedure before various Excise Authorities and the appellate Tribunal.

3. Excise law planning

Planning based on interpretation of notifications and court judgments; revision of classification and price lists; rectification proceedings; planning in relation to nature of activity, use of power, commodity of manufacture, method of selling, scale of investment, number of workers, locations of the units, etc.; supporting documents and records as aids to planning exercise, special relief for exports; excise duties and cash management; revision and rectification proceedings and their impact on corporate finances.

4. Customs Act, 1962

Details of procedure in relation to the levy, collection and exemption from customs duties— documents to be prepared and presented to customs authorities; valuation of goods; clearance of imported and exported goods— procedure.

Detailed procedure in relation to transportation and warehousing— relevant rules and regulations.

Drawback of customs duties paid— preparation and submission of drawback claim forms.

Adjudication and appeals before the customs authorities and the Appellate Tribunal.

5. Customs Duty Planning

Classification of goods— principles; rectifications, valuation of goods for purposes of levy— principles; abatement of duties and availing of exemptions; customs levies and cash management.

6. Central Sales Tax Act, 1956

Inter-State sales, intra-State sales and sales in the course of import and export; taxability of inter depot/inter— branch transfer of goods; levy and collection of sales tax— procedure; appeals, revision and rectification of assessments— procedure.

7. Sales tax planning

Methods of executive sales through branches, head office and factory; exports contracts and implications on penultimate sales; canalized exports— implications; planning vis-a-vis judicial pronouncements; sales tax levies and cash

management; promissory estoppel— extent of application to sales tax matters, a case law review.

GROUP -II PAPER 6

DRAFTING AND CONVEYANCING

Level of knowledge : Good working knowledge

Objective : To acquaint the students with the fundamentals of effective drafting and conveyancing techniques.

Detailed contents:

1. General principles of drafting

Rules for drafting; use of appropriate words and expressions; aids to clarity and accuracy; legal implications and requirements.

2. General principles of conveyancing

Meaning; basic requirements of deeds of transfers— description of deed, parties, recitals, *testatum*, consideration, operative words, exceptions and reservations, *habendum*, *testimonium*, signature and attestation, endorsement and supplemental deeds.

3. Drafting of orders

Appointment orders, suspension orders; order of dismissal and discharge, charge sheets; apprenticeship agreements.

4. Drafting of contracts

Agreements to sell/purchase, dealership contracts, building contracts, agency contracts; collaboration agreements; arbitration agreements; guarantees— counter guarantees, fidelity, performance guarantee, bank guarantee, hypothecation agreement.

5. Awards and Reports

Awards of arbitrators and umpires; inquiry and investigation reports; miscellaneous reports.

6. Drafting of company's documents

Promoters' contract; memorandum of association; articles of association; prospectus; notices; underwriting and

Brokerage agreements, allotment letter; contract of appointment with managing director, manager, secretary; share certificates, debentures, bonds; proxies; deeds of amalgamation of companies; transfer of undertakings; compromise, arrangements and settlements.

7. Drafting of resolutions

Drafting of various resolutions under the Companies Act— resolution for Board and general body meetings and meetings of other committees.

8. Drafting of applications and petitions

Applications and petitions — Department of Company Affairs, Company Law Board; Company Law Board (Bench) Rules, Public Financial Institutions, Controller of Capital Issues, Appellate authorities under the taxing statutes and other corporate legislations; appeals, writs and special leave petitions; revision and review applications; affidavits.

9. Deed of sale of land, building, etc.

Contract of sale of goods and merchandise; sale of immovable property; sale by liquidator of a company in voluntary; sale by an Administrator under orders of the Court; sale of business and assignment of goodwill.

10. Deeds of mortgages and charges

Different types of mortgage deeds; deeds of further charge on mortgaged property; mortgage by deposit of title deeds; deed of floating charge; deed of appointment of receiver by mortgage; other charges

11. Deeds of pledge

Memorandum of pledge of movables.

12. Licence and lease deeds

Sub-lease, lease by way of renewal, surrender of lease, deed altering covenants in lease, transfer of lease; deed of licence; lease of premises and plant and machinery.

13. Deed for hire-purchase of machinery, plant and other chattels.

14. Trust deeds

General; debenture trust deeds; declaration and

revocation of trust; trust deeds constituting provident fund, superannuation fund, pension fund, etc.

15. Deed of exchange and Gift deeds

16. Deed of assignment

Business debts, shares in a company, policies in insurance patents, trade marks, copyrights, business and goodwill and other rights and interests.

17. Partnership deeds

Deed of partnership for setting up a new business introduction of new partners; dissolution of partnership firm; purchase of business by a partner.

18. Deeds of power of attorney

Revocable, irrevocable, general and particular; letter of authority.

19. Miscellaneous

Negotiable instruments— promissory notes, bills of exchange; receipts; deeds of release, relinquishment and disclaimer; compromise in suits; Bonds— bonds to preserve trade secret; security bonds; indemnity bond— in case of loss or non-production of title deeds, for issue of duplicate share certificates, debentures or bonds, to the drawer of lost cheque or drawing second cheques by company to its managing director in respect of guarantee given by him; certificate of sale in auction sales.

GROUP III PAPER 7

COMPANY LAW AND PRACTICE

Level of knowledge : Expert

Objective : (1) To provide a thorough knowledge of provisions of the Companies Act, 1956, including procedural laws.

(2) To develop analytical abilities and provide a thorough insight into the areas of divergence between the English and Indian Company Laws.

Detailed contents:

A detailed knowledge of the Companies Act, 1956 and

the Rules made there under including portions covered in the syllabus of the Intermediate Examination or Executive Programme Examination; knowledge of company law jurisdiction, substantive law, case law, clarifications, circulars, notifications, rules, regulations, orders, etc. framed by the Central Government or any other authority under the Act; areas of divergence between English and Indian Company Laws with particular reference to take— over, amalgamation and merger procedures.

Note: Questions relating to both substantive and procedural law shall be asked. Provisions relating to Directors shall not form part of the paper.

GROUP -III PAPER 8

DIRECTORS, BOARDS & RELATED SECRETARIAL PRACTICE

Level of knowledge : Expert.

Objective : To provide thorough knowledge regarding the provisions relating to the directors, Boards and the related secretarial practice with a view to widen the horizon of the candidates to enable them to assist the directors and Boards for effecting management.

1. Institution of Directors:

The concept of director and its evolution; statutory provisions relating to qualifications, appointment, remuneration of directors; rights, duties, powers and liabilities of directors; retirement, removal and vacation of office.

2. Evolution of Boards:

Historical and legal perspective; philosophy behind the emergence of Boards; financial interest of the Board in company's total shareholding; concept of Board culture; importance of Board's chairman— power and hierarchy.

3. Composition of Boards:

Various types of directors; inside director, outside director, professional director, nominee director; the rationale;

the changing scenario, the role, viewpoints of financial institutions and social groups regarding nominee directors; whole-time director and his relevance; comparative evaluation of composition of Boards in India and abroad; shareholders' democracy and the extent to which it is reflected in constitution of Boards; current practices in India regarding composition of directors; role, appointment, duties and responsibilities and liabilities of Full-time Chairman/Part-time Chairman, Managing Director, Executive Directors, whole-time Directors, Secretary-cum-Directors, Director, Manager *vis-a-vis* the Board.

4. Decision making by Board and evaluation of Board's effectiveness:

Conduct of Board meetings; manner of decision making; Board agenda; frequency of Board Meetings and nature and level of participation by individual directors; tools for evaluation of Board's functioning; influence of various interest groups specifically that of the financial institutions in decision making process of the Board; family control of Board— Indian and foreign practices; standards for judging Board's performance; advisability of maintaining progress report for individual directors.

5. Board Committees and their functioning:

Basic philosophy behind constitution of Board Committees; delegation by the Board; constraints of delegation; type of Board Committees; control on committees; defining limits of power of the committees; evaluation of functioning of Board committees; non-executive directors and their role at different committees, audit Committees and committees of management.

6. Constraints of effective Board functioning:

Concept of corporate opportunity; business judgment value; Board's power and conflict of duties— insider trading, inter-locking of directorate; pattern of inter-locking in India and abroad; judicial decisions on insider trading and inter-locking of directorates.

7. Informational requirements of the Boards:

Information needs of the Board; reporting to Board; need

for independent secretarial department for the Board; manner of collection of information for the Board and its dissemination to the Board; reporting under legal and administrative requirements; recent trends in Board's and chairman's reports.

8. Socio-political and legal aspects of Board's responsibilities:

Concept of understanding democracy and multi-interest representation; workers' participation in corporate governance — practices in India and abroad; powers; rights, social liabilities of directors; trusteeship concept as affiliated to the Board; public directors; current thinking.

9. Related secretarial practice:

Drafting of agreement for the appointment of managing directors; preparatory work relating to Board meeting; preparation of agenda; notes of the agenda; drafting of minutes and its maintenance; post-meeting work; drafting of directors' report; preparatory notes for the preparation of chairman's speech; judging companies performance; preventing corporate sickness and the work relating thereto; assisting management for performance evaluation of other functionaries; work relating to modernization, restructuring, diversification and divestment decisions; work relating to capital projects; joint ventures abroad and foreign collaboration agreements; work involved in share issue, debenture issue, bonds issue and company deposits; work involved in relation to raising of working capital from banks; raising loans from financial institutions; reporting management on leasing finance decisions

GROUP III PAPER 9

ADVANCED SECRETARIAL PRACTICE (RELATING TO ECONOMIC AND OTHER LEGISLATIONS)

Level of knowledge : Expert

Objective : To provide a thorough understanding of the procedural requirements in regard to certain economic legislations and advanced application of law.

Detailed contents:

PART-A (70 marks)

1. Procedure under the Industries (Development and Regulation) Act, 1951

Registration of existing industries undertakings; procedure for obtaining an industrial products, shifting of industrial undertakings, setting up of new industrial undertakings; Ministry of Industry— processing and approval of industrial licence applications; Directorate General of Technical Development — registration procedure; current industrial licensing policy; exemption from industrial licensing; procedure for claiming various subsidies.

Small scale industrial units— schemes of institutional infrastructural and fiscal support; registration with Sale/Central authorities.

Setting up of industrial units in Free Trade Zones — mechanics, incentives; procedure regarding setting upto 100% Export Oriented Units.

2. Procedure under the Monopolies and Restrictive Trade Practices Act, 1969

Procedure for registration of undertakings and case for non— registration and cancellation of registration; procedure for obtaining clearances for effecting substantial expansion, establishment of new industrial undertakings, amalgamation, takeover etc. Under Chapter III of the Act, procedure for registration of trade agreements relating to certain trade practices; procedure in enquires before the Monopolies and Restrictive Trade Practices Commission— expansion and diversification proposals, trade practices; miscellaneous compliances.

3. Procedure under the Foreign Exchange Regulation Act, 1973

Procedure for issue and transfer of shares, debentures, etc. to non-residents; payment of dividends/interest to non-collaboration and joint ventures abroad; appointment of non-residents as Directors/Managing Directors in Indian companies; visits abroad by company directors and officials; opening and operating non-resident accounts — Non-

Resident (External) Account, Foreign Currency Non-Resident Account; acquisition of property outside India; incentives for Non-Resident investment.

PART B (15 marks)

4. Procedure under Imports and Exports (Control) Act, 1947

Procedure for imports— capital goods, raw materials, designs, drawings, and spares; negotiation of documents; import of canalized items; export procedure and documentation; export incentives; role of Export Credit and Guarantee Corporation and Export Import Bank of India.

PART C (15 marks)

5. Procedure under the Standards of Weights and Measures Act, 1956

Procedure in regard to packaged commodities; miscellaneous procedural matters.

6. Procedure under the Essential Commodities Act, 1955. Basic procedure in regard to maintenance of registers, accounts and returns in relation to notified essential commodities.
7. Basic procedure under the Copyright Act, 1957 and Patent Act, 1970
8. Procedure under the Trade and Merchandise Marks Act, 1958
Registration of trade marks; assignment and licensing of trade marks; caution notices; infringement and passing of proceedings.
9. Basic procedural requirements under the Under Land (Ceiling and Regulation) Act, 1976
10. Basic procedures and compliance under the pollution control laws.
11. Standard practices with regard to tax laws and Economic Legislation for Practising Company Secretaries.
12. Insurance risk management; administration of Company's real property; provision of adequate security arrangements.]

¹³¹[SCHEDULE CCA**[See regulations 39(2), 41AA and 44AA(2)]****PART I****SYLLABUS FOR FOUNDATION EXAMINATION****[Regulation 39(2)]**

(Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates the use of Hindi as a medium of writing for any particular subject. Candidates are expected to be conversant with the amendments to the laws made up to six months preceding the date of examination)

PAPER 1**BUSINESS COMMUNICATION**

Level of knowledge: Basic knowledge

Objective: To develop ability to communicate clearly and correctly in written English, on matters having relevance to day-to-day business operations with emphasis on quality of presentation.

Detailed contents*PART A (40 marks)***1. Essay writing**

Essays on matters of current interest to trade, commerce, industry and profession; essay writing from given facts and data.

2. Precis writing

Preparation of summary of office notes; summary of

¹³¹ Inserted by the Company Secretaries (Amendment) Regulations, 1993. Notification No. ICSI.710/(1)(M)/1/18 published in Gazette of India, Extraordinary, Part III, Section 4, dated 30.8.1983 and 24.11.1993.

matters appearing in economic and commercial dailies and journals for use in committee meetings in the office; summary of decisions taken in meetings and conferences.

PART B (60 marks)

3. Business communication

Meaning and significance of good communication; means of communication— oral, written; essentials of a good business letter, etc.

4. Business correspondence in functional departments of an organization

Types of letters:

- (a) Personnel: Letter calling candidates for written test; drafting of interview letters; offer of appointment; provisional appointment orders; final order of appointment; employee disciplinary matters — show cause notices, charge sheets, letters of dismissal, discharge and other punishments.
- (b) Purchase: Request for quotations, tenders, samples and drawings; test order; complaints and follow-up.
- (c) Sales: Drafting of sales letters, circular letters, preparation of sale notes with conditions of sale on the reverse; status enquiries; preparation of market survey reports, reports to sales manager such as sales promotion matters; drafting of advertisements.
- (d) Accounts: Correspondence with various agencies; customers—regarding dues, follow up letters; banks—regarding over— drafts cash credits and account current; insurance companies—regarding payment, renewal of insurance premium, claims and their settlement; public authorities like Provident Fund Commissioner, Post and Telegraph authorities, regarding payment of Provident Fund contributions, installation of new connections and payment of

telephone bills; payment of sales tax deducted at source.

- (e) Secretarial: Correspondence with shareholders and debenture holders pertaining to dividend and interest, transfer and transmission.

5. Administration and miscellaneous

Drafting of telegraphic and facsimile messages; correspondence connected with import and export of goods; correspondence with agents and transport companies; public notice and invitations; representations to Trade Associations, Chambers of Commerce and public authorities.

6. Interdepartmental communication

Internal memos; office circulars; office orders; office notes; representation to chief executives and replies thereto; communication with regional/ branch offices.

7. Preparation of press releases.

8. Report writing.

PAPER 2

BUSINESS LAWS AND MANAGEMETN

Level of knowledge : Basic knowledge

Objective:

(1) to give an exposure to the students of some of the important commercial laws, the knowledge of which is essential for an understanding of the legal implications of the general activities of a modern business organisation.

(2) To acquaint the students with the principles of management.

Detailed contents

PART A (50 marks)

ELEMENTS OF BUSINESS LAWS

1. Law

Meaning of law, its significance and relevance to modern civilized society; sources of law;

2. The Indian Contract Act, 1872 (9 of 1872)

Contract—meaning; essentials of a valid contract; nature of contract; performance of contract; termination and discharge of contract; indemnity and guarantee; bailment and pledge; law of agency.

3. The Sale of Goods act, 1930 (3 of 1930)

Essentials of a Contract of Sale; sale distinguished from agreement to sell, bailment, contract for work and labour and hire-purchase; conditions and warranties; transfer of title by non-owners; doctrine of caveat emptor; performance of the contract of sale; unpaid seller—his rights against the goods and the buyer.

4. The Negotiable Instruments Act, 1881 (26 to 1881)

Definition of a negotiable instrument; instruments negotiable by law and by custom; types of negotiable instruments; parties to a negotiable instrument—duties, rights, liabilities and discharge; material alteration; crossing of cheques; payment and collection of cheques and demand drafts; presumption of law as to negotiable instruments.

5. The Indian Partnership Act, 1932 (9 of 1932)

Nature of partnership and certain similar organizations — co-ownership, Joint Hindu Family; partnership deed; rights and Liabilities of partners including those of newly admitted partners, retiring and deceased partners; implied authority of partners and its scope; registration of firms; dissolution of firms and of the partnership.

6. Elements of Company Law

Nature and Meaning of company; promotion and incorporation of a company, familiarization with the concept of Board of directors; Company Secretary.

PART B (50 marks)

PRINCIPLES OF MANAGEMENT

1. Nature of management and its process

Meaning and nature, process, planning, organizing, directing, coordination and controlling.

2. Planning

Policies and procedures; methods; decision-making.

3. Organising

Structure; principles and theories of organization; span of management; centralization and decentralisation; line and staff functions; delegation; functional organization; formal and informal organization; growth in organisation.

4. Staffing

Meaning, nature and functions of personnel management; selection, training and development; performance appraisal.

5. Direction and Co-ordination

Communication, motivation, morale and leadership; internal and external co-ordination; committees in management; management of change; organization development (O.D.).

6. Controlling

Concepts and basic control process; essentials of a good control system; traditional and non-traditional control devices.

PAPER 3

PRINCIPLES OF ACCOUNTANCY

Level of knowledge : Basic knowledge

Objective: To provide an understanding of the basic principles of accounting and their application in business.

Detailed contents

1. Accounting—meaning, nature, functions and usefulness; types of accounting; accounting equation; generally accepted accounting concepts, principles and conventions.
2. Recording of transactions —voucher system; accounting cycles leading to preparation of final accounts; accrual versus cash basis of accounting
3. Preparation of bank reconciliation statement
4. Rectification of errors.
5. Accounting for depreciation—need for and significance of depreciation; methods of providing depreciation.
6. Inventory valuation—methods, choice of method.
7. Accounting for bills of exchange—bills receivable and payable, acceptance, endorsement, discounting, retirement, dishonour and renewal of bills.
8. Accounts of non-profit organizations —receipts and payments and income and expenditure accounts.
9. Single entry system—preparation of accounts from incomplete records.
10. Average due date and account current.
- 11 Control accounts that is, self balancing ledgers and Sectional ledgers.

12. Accounting for consignments and joint ventures.
13. Branch and departmental accounts.
14. Partnership accounts:
 - (a) Fundamentals —capital, fixed and fluctuating; adjustments for change in profit sharing ratios; revaluation of assets and goodwill; joint-life policy.
 - (b) Reconstitution of the firm—admission, retirement and death of a partner; amalgamation and sale of a company.
 - (c) Dissolution of partnership including piecemeal distribution.
15. Basic principles relating to hire purchase and lease accounting.

PAPER 4

ECONOMICS AND STATISTICS

Level of knowledge: Basic knowledge

Objective: To provide basic and conceptual understanding of general economic principles and statistical tools to interpret and analyse various economic phenomena.

Detailed Contents

PART A (70 marks)

ELEMENTS OF ECONOMICS

1. Definition and scope of economics — micro and macro economics.
2. Utility, demand schedule—theory of consumer equilibrium, concept of elasticity, factors of production, laws of returns, scale of production, cost curves.
3. Equilibrium of firm — determination of price under

perfect and imperfect competition.

4. Public finance; principles of taxation — public expenditure deficit, public debt internal and external debt.
5. International trade — theory of comparative costs, gains, from international trade, balance of trade and balance of payments methods of correcting disequilibrium in the balance of payments..
6. National income and related concepts — significance of National income. Measurement of National income — National income in India.
7. The concept of economic development — indicators.. factors nature of economic backwardness features of Indian economy.
8. Problems of Industrial development — role of small — scale and cottage industries —Industrial Policy, employment and labour problems.
9. Importance of planning for the economic development of India — salient features of plans ,financing of plans, deficit financing, role of foreign capital and foreign aid; achievement of plans.

PART B (30 marks)

ELEMENTS OF STATISTICS

10. Meaning scope and limitations of statistics.
11. Collection of data — primary and secondary; classification and tabulation of data, construction of frequency polygon; ogive curve.
12. Measures of central tendency — mean, median, mode, geometric mean, harmonic mean and weighted average.

13. Familiarisation with the concepts relating to index number; time series and business forecasting.

PART II

**SYLLABUS FOR INTERMEDIATE EXAMINATION OR
EXECUTIVE PROGRAMME EXAMINATION**

[Regulation 41AA(2)]

(Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject. Candidates are expected to be conversant with the amendments to the laws made up to six months preceding the date of examination).

GROUP I — PAPER1

GENERAL LAWS AND PROCEDURES

Level of knowledge: Basic knowledge

Objective: To provide basic understanding of some of the general laws and procedures thereunder, which have a bearing on the conduct of corporate affairs.

Detailed contents

1. Introduction

Sources of Law — custom, precedent, legislation, categories of legislation; tortious liability — kinds, general defences, judicial and extra-judicial remedies.

2. Constitution of India

Broad framework of the constitution; Fundamentals

Rights, Directive Principles of State Policy; ordinance making powers of the President and the Governor; legislative powers of the Union and the States; freedom of trade, commerce and intercourse; constitutional provisions relating to States monopoly ; writ jurisdiction of High Courts and the Supreme Court; different types of writs — *habeas corpus*, *mandamus*, prohibition, *quo warranto* and *certiorari*, delegated legislations.

3. Interpretation of Statutes

Need for interpretation of a statute; general principles of interpretation — internal and external aids to interpretation, primary and other rules.

4. Civil and Criminal Procedure Codes and Law of Evidence

(a) The Code of Civil Procedure, 1908; elementary knowledge of the structure of civil courts, their jurisdiction — pecuniary jurisdiction, territorial jurisdiction; basic understanding of certain items — order, judgement and decree, stay of suits, *res judicata*; suits by companies, minors, basic understanding of summary proceeding; appeals, reference, review and revisions.

(b) The Criminal procedure Code, 1973; offences — *mens rea*, cognizable and non-cognizable offences; searches; limitation for taking cognizance of certain offences.

(c) The Indian Evidence Act, 1872; the object of the study of the law of evidence; relevant facts; *res gestae*; motive, preparation and conduct admissions; confessions; facts of which evidence need not be given; facts of which evidence cannot be given; oral, documentary and circumstantial evidence.

5. The Specific Relief Act, 1963 (47 of 1963)

Instances where specific performance is allowed; recovery of movable and immovable property; persons against whom specific performance can be enforced; discretion of court preventive relief.

6. The Arbitration Act, 1940 (10 of 1940)

Arbitration agreement — format; appointment of arbitrator umpire, powers of the arbitrator; award — remission, setting aside, modification and filing thereof; stay of legal proceeding — affect of legal proceedings on arbitration; conduct of arbitration proceedings; a brief idea of foreign awards; arbitration agencies — Indian Council of Arbitration, Trade Associations.

7. The Limitation Act, 1963 (36 of 1963)

Computation of period of limitation for different types of suits — continuous running of time; extension of period of limitation; limitation and writs under the Constitution.

8. The Indian Trusts Act, 1882 (2 of 1882)

General concepts relating to trusts; creation of trusts; duties and liabilities of trustees; rights and powers of trustees, disabilities of trustees and rights and liabilities of the beneficiary.

9. The Societies Registration Act, 1860 (21 of 1860)

General concepts relating to registration of societies; property of societies how vested; suits by and against societies; enforcement of judgement against societies; dissolution of societies..

10. General Principles of Co-operative Law and Practice.

Formation, registration and organization of co-operative societies; membership; general body, managing committee; model bye-laws and amendment thereof ; meetings of co-operative societies; audit and inspection; liquidation proceedings.

11. The Transfer of Property Act, 1882 (1 of 1882)

Important definitions; movable and immovable property, properties which cannot be transferred, rule against *perpetuities*; *lis pendens*; provisions relating to sale, mortgage, charge, lease, gift and actionable claim.

GROUP I — PAPER 2

PERSONAL MANAGEMENT AND INDUSTRIAL LAWS

Level of Knowledge : Working Knowledge

Objective: To acquaint the students with the basic principles and practice of personal management and to provide working knowledge of the various Industrial and Labour Laws having an impact on the personnel management function.

Detailed contents

PART A (50 marks)

PERSONAL MANAGEMENT AND RELATED INDUSTRIAL LAWS

1. Human resource development — concept, significance, scope and status; strategies for formulation of human resource development programmes; career planning and career development; human resource accounting.

2. Introduction, concept, functions, scope and significance of personal management; organization of personnel management; qualities of personal manager and his role in industry; professionalisation of personnel management in India.

3. Manpower planning — meaning, objectives and significance; steps in manpower planning, quantitative and qualitative aspects of manpower planning; recruitment; interviewing, selection, induction and placement.

4. Manpower training and development — concept,

purpose and methods of training; executive development programmes and their evaluation; performance appraisal; counselling and employee communication system; promotion, demotion and transfer; employee morale, motivation and productivity; executive stress.

5. Employee remuneration — wage plans and policies, profit sharing and incentive plans; compensation package and terminal benefits.

6. Industrial Relations — concept, scope, significance and determinants; industrial unrest; Industrial disputes and their prevention, industrial discipline; trade unions; collective bargaining; workers participation in management; employee welfare, personal policies.

7. An overview of laws relating to recruitment and related aspects — (i) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; (ii) The Apprentices Act, 1961; (iii) The Industrial Employment (Standing Orders) Act, 1946;

8. An overview of laws relating to payment of wages, bonus, etc; (i) The Payment of Wages Act, 1936; (ii) The Minimum Wages Act, 1948; (iii) The Payment of Bonus Act, 1965; (iv) The Employees Provident Funds and Miscellaneous Provisions Act, 1952; (v) The Employees State Insurance Act, 1948; (vi) The Payment of Gratuity Act, 1972.

PART B (50 Marks)

OTHER INDUSTRIAL LAWS

1. The Industrial Disputes Act, 1947 (14 of 1947)

Objects; industrial disputes; authorities for settlement of industrial disputes; reference of Industrial disputes; procedure; powers and duties of authorities; settlements and awards; strikes; lock-outs; lay off; retrenchment; transfer and closure; unfair labour practices; miscellaneous provisions —

offences by companies; conditions of service to remain unchanged under certain circumstances.

2. The Trade Unions Act, 1926 (16 of 1926)

Objects; registration of trade unions; rights and liabilities of registered trade unions —procedure; penalties.

3. The Contract Labour (Regulation and Abolition) Act, 1970 (37 of 1970)

Objects — Advisory Boards; registration of establishment; prohibition of employment of contract labour; licensing of contractors; welfare and health of contract labour; penalties and procedure; effect of laws and agreements inconsistent with the Act.

4. The Factories Act, 1948 (63 of 1948)

Objects; provisions relating to hazardous process, health, safety, welfare, working hours, leave etc, of workers; approval; licensing and registration of factories manager and occupier — .their obligations under the Act; power of the authorities under the Act; penalty provisions.

5. The Workmen's Compensation Act, 1923 (6 of 1923)

Objects; employer's liability for compensation; amount of compensation; method of calculating wages; review; distribution of compensation, notice and claims; statements regarding fatal accidents; medical examination; remedies of employer against stranger; liability in the event of the company in winding-up proceeding; returns as to compensation; commissioners for workmen's compensation.

6. The Equal Remuneration Act, 1976 (25 of 1976)

Objects; overriding effect of the Act, duty of the employer to pay equal remuneration to men and women workers; Advisory Committee; inspectors; non-application of the Act in certain special cases.

7. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishment) Act, 1988 (51 of 1988)

Objects; exemption from returns and registers under certain labour laws; savings; power to amend forms.

GROUP I — PAPER 3

TAX LAWS

Level of knowledge: Basic knowledge

Objectives: To provide conceptual understanding of the provisions with regard to —

- (a) The Direct Tax Laws that is the income — tax Act, 1961, the Wealth — tax Act, 1957 and the Gift-tax Act, 1958; and
- (b) Indirect Tax Laws.

Detailed contents

PART A (60 marks)

DIRECT TAX LAWS

1. The Income — tax Act, 1961 (43 of 1961)

- (a) Definitions; concept of income, residence and tax liability, distinction between capital and revenue receipts; Income exempt from tax.
- (b) Computation of income under various head— salaries, Income from house property, capital gains, profits and gain, Income from other sources; various deductions permissible under different heads and deductions from gross total Income set off and carry forward of losses; relief and rebate in respect of income tax.
- (c) Taxation of individuals including non-residents; Hindu undivided families; firms; association of persons;

cooperative societies; trusts and charitable and religious institutions etc; excluding companies.

- (d) Income — tax authorities — their appointment, jurisdiction and power.
- (e) Deductions of tax at source while making certain payments .
- (f) Payments of advance tax; filing of return of income; assessments; collection and recovery of tax; refund of tax; reopening and rectification of earlier assessments; revision by Commissioner, appeals and references; Appellate Tribunal and its powers.
- (g) Offences, prosecutions, penalties and interest payable, search, seizure, confiscation and attachment of property.

2. The Wealth Act, 1957 (27 of 1957)

Chargeability; assets, deemed assets and assets exempt from tax, valuation of assets, assets to be included in net wealth but on which wealth tax is not payable; computation of net wealth; return of wealth and assessment.

3. The Gift -Tax Act, 1958 (18 of 1958)

Meaning of gift, taxable gifts, deemed gifts, gifts exempt from tax; advance payment of tax, filing of return of gifts and assessment.

PART B (40 marks)

INDIRECT TAX LAWS

4. The Central Excises and Salt Act, 1944 (1 of 1944)

Meaning, nature and scope of levy of duties of Central Excises, manufacture — meaning of valuation of goods for

levy of duty payment of duties of excise and removal of goods, recovery and refund of duties of excise.

5. The Central Sales Tax Act, 1956 (74 of 1956)

The evolution and scope of levy of Central Sales Tax; Interstate sale — basic principles; sale in the course of import and export and goods of special importance.

6. The Customs Act, 1962 (52 of 1962)

Nature of restrictions on import and export under the Act; clearance of goods from the port; transport and warehousing thereof; levy of exemption from and collection of customs duties; drawback of duties of customs.

GROUP I — PAPER 4

COST AND MANAGEMENT ACCOUNTING

Level of Knowledge : Basic knowledge

Objective : To acquaint the students with the basic concepts used in cost accounting and financial management having a bearing on managerial decision making.

Detailed contents

PART A (50 marks)

COST ACCOUNTING

1. Cost accounting

Meaning and uses of cost accounting; various cost concepts; organization of cost accounting department and its integration with other departments; establishing costing system.

2. Elements of cost

- (i) *Material Cost*; meaning of inventory; objects of material and inventory control, methods of

inventory control; — ABC Analysis; fixation of levels, etc; purchasing and storing procedures; methods of inventory valuation pricing material issues and receipts; accounting and control of normal and abnormal wastages; spoilage and defectives.

- (ii) *Labour Cost*; classification of labour costs and various labour costs records; treatment and control of labour turnover; idle time; leave with pay; casual workers; overtime, apprenticeship and training cost, labour cost control reports to the management.
- (iii) *Direct expenses*; meaning, importance and control.
- (iv) *Overheads*; meaning and classification of overheads ; allocation of overheads, absorption and control of overheads.

3. Methods of costing

Single and output costing; Operational costing; job costing; contract costing; process costing — treatment of by-products and joint products excluding inter process profit.

4. Reconciliation of cost and financial accounts.

5. Budgets and budgetary control

Preparation of various types of budgets ; advantages and limitations of budgetary control; budgetary control reports to management .

6. Standard costing and variance analysis

Meaning and advantages; standard costing distinguished from budgetary control; types of standards; determination of standards; variance analysis; meaning and types of variances; disposal and reporting of variances to managements.

7. Variable costing

Conceptual framework; variable costing distinguished from absorption costing; income determination under variable and absorption costing; application of variable costing; contribution concept and decision making; limitations of variable costing.

8. Cost- volume- profit relationship; break-even analysis; profit planning and pricing

Meaning, construction of break-even charts, profits graph, limitations of break-even analysis, profit planning and pricing decisions.

PART B (50 marks)

MANAGEMENT ACCOUNTING**1. Management Accounting**

Meaning and nature, management accounting distinguished from financial and cost accounting; scope and role of management accountant; nature, importance and techniques of financial management.

2. Preparation of financial statements and determination of Income

Financial statements; nature, objective, income determination and various concepts relating thereto; inventory valuation; depreciation policy; price level changes and their affect on income determination.

3. Interpretation and analysis of financial statements

Ratio analysis, latest trends in presenting financial data, limitation of financial statements

4. Cash flow and funds flow statements and their analysis

Concepts of 'funds' and 'flows', funds flow statements — importance, steps in preparation; distinction between cash flow and funds flow statements.

GROUP II — PAPER 5

COMPANY LAW AND PRACTICE – I

Level of knowledge : Working Knowledge

Objective : To provide conceptual understanding and working knowledge of the provisions of —

- (a) The Companies Act 1956;
- (b) The Securities Contracts (Regulation) Act, 1956; and
- (c) To give orientation on procedural requirements relating thereto including regulations and guidelines made by the Securities and Exchange Board of India for issue of capital.

Detailed contents

1. Company: meaning and characteristics; brief history of Company Law in India; company as distinguished from other associations of persons; types of companies; foreign companies, Government companies — special privileges and exemptions enjoyed and accountability, private companies, holding companies and subsidiary companies, investment companies, finance companies and FERA companies; A brief study of statutory corporations.

2. Promoters : meaning and importance, position, duties and liabilities.

3. Constitution of the company: incorporation of a company — private limited, public limited company limited by guarantee or company for charitable or other purposes; documents to be prepared and filed — Memorandum of Association, Articles of Association and their alteration; incorporation contracts; procedure for conversion of a private limited company into a public limited company and vice-versa, conversion of a sole proprietorship concern or partnership firm into a limited company; commencement of business and commencement of new business by an existing company.

4. Regulation of contracts and options in securities under the Securities, Contracts (Regulation) Act, 1956; listing of

securities, listing agreement⁶; title to dividend; free transferability and registration of transfers of listed securities of companies.

5. Prospectus : definition, abridged prospectus, statement in lieu of prospectus — contents, form and registration; fraudulent inducement or misrepresentations in prospectus and penalties therefore.

6. Share Capital and Debentures: Share — meaning and types; issue of shares at premium, at discount; private placement, offer for sale; meaning, definition and types of debentures; debentures v. shares; debenture trust deeds; issue of capital, further issue and issue of bonus shares, debentures and bonds issue, cumulative convertible preference shares.

Employees stock option scheme; regulation and guidelines made by Securities and Exchange Board of India for issue of capital underwriting commission and brokerage; allotment and return of allotment; listing of shares; issue and transfer of shares to non-residents; share certificates and warrants; calls, forfeiture and re-issue; transfer and transmission of shares; redemption of redeemable preference shares and debentures and conversion of debentures, alteration and reduction of capital.

7. Members: mode of obtaining membership, minimum and maximum number of members, cessation of membership, personation and penalty therefore; index of members; register of members — entries, rectification and closure; rights and liabilities of members, variation of members rights; index of debenture holders, register of debenture holders and its rectification.

8. (a) Investment and borrowing powers; Investment of company's funds — preconditions, investments in other companies and bodies corporate; loans etc, to companies under the same management.

(b) Mortgages and charges; meaning and types; registration of charges; consequences of non-registration; register of charges; rectification of register of charges satisfaction and modification of charges.

(c) Company deposits: meaning; conditions for accepting deposits from the public — Companies (Acceptance of Deposits) Rules, 1975; other requirements relating to public deposits.

9. Sole selling and buying agents; meaning, appointment and re-appointment, removal; powers of the Central Government; the Companies (Appointment of Sole Agents) Rules, 1975.

GROUP II — PAPER 6

COMPANY LAW AND PRACTICE – II

Level of knowledge : working knowledge

Objective :To provide conceptual understanding and working knowledge of the provisions of the provisions of the Companies Act, 1956 (1 of 1956) as regards the various topics enumerated below and to give orientation on procedural requirements relating thereto.

Detailed contents

1. Company Secretary: definition of secretary; importance, position, qualities and qualifications — The Companies (Appointment and Qualifications of Secretary) Rules, 1988; appointment and dismissal; powers; duties and liabilities — statutory and contractual; role of company secretary as statutory officer, as coordinator and as chief administrative officer.

2. Company Secretary in Practice: definition of company secretary; who can practice; areas of practice; certification by company secretary in practice professional duties and code of conduct; provisions of the Company Secretaries Act, 1980 and the Company Secretaries Regulations, 1982.

3. Director, Managing Director, Whole-time director and manager; definition, types of directors — their qualifications and disqualifications, number of directors, manner of appointment and reappointment; vacation of office — retirement, resignation, removal; powers duties and liabilities of directors; loans of directors etc; managerial remuneration, compensation for loss of office.

Interested director — position of a director interested in a contract appointment of director or his relative, etc; to an office or place of profit in the company.

Register of Directors — particulars to be entered, register of contracts in which directors are interested their maintenance and inspection, detailed procedure relating to appointment and removal of directors, managing director, whole-time directors, manager, secretary and other managerial personnel and matters consequential and incidental thereto.

4. Meetings: meaning, kinds of company meetings of shareholders — statutory annual general, class, requisition and other general meetings, meetings of debenture holders and creditors; meetings of Board of Directors and Committees thereof; requisites of valid meeting — notice, agenda, quorum, proxy, chairman, motion and amendment resolutions, sense of the meeting; adjournment and postponement, practical aspects of drafting of notices, resolutions, explanatory statements and minutes, matters requiring ordinary resolution, special resolution and special notice.

5. Registers and Returns : Registers and books to be kept; period of preservation of records by the companies and in the office of Registrar: annual return and periodical returns; preparation and filing of returns with the registrar of companies — an overview.

6. Accounts and Audit: statutory books to be kept, form and content of Balance Sheet and Profit and Loss Account; disclosure of accounts of the subsidiary companies; determination of net profits; Director's report and Chairman's speech. Auditor — qualifications, appointment, term of office, resignation and removal; rights, duties and liabilities of auditors; branch audit; powers of the Central Government to direct special audit. Cost Accounting records and cost audit; social audit — The Manufacturing and Other Companies (Auditors Report) Order, 1988: auditors report and explanation.

7. Divisible profits and dividends: ascertainment of divisible profits and dividends — the Companies (Transfer of

Profits to Reserves) Rules, 1975, the Companies (Declaration of Dividend out of Reserves) Rules, 1975, the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

Declaration of dividend on equity and preference shares — interim dividend, final dividend.

Payment of dividend — dividend warrant, unclaimed dividend and its payment; payment to non-residents and Foreign Exchange Regulation Act provisions.

Payment of interest out of capital.

8. Inspection and Investigation: inspection of documents, books of account, registers, etc; power of the Registrar of Companies to call for information. Investigation of the affairs of the company and its ownership, powers of the inspector, seizure of books and documents; inspector's report.

9. The law relating to the majority powers and minority rights.

10. Prevention of oppression and mis-management.

GROUP II – PAPER 7

ECONOMIC AND OTHER LEGISLATIONS

Level of knowledge : Working knowledge.

Objective : To provide an understanding of certain economic and other legislations which have direct relevance to the functioning of companies.

Detailed contents

PART A (50 marks)

1. The Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969)

Objects and definitions, regulation over concentration of economic power; study of the provisions relating to restrictive,

unfair and monopolistic trade practices; nature and scope of the powers of the Monopolies and Restrictive Trade Practices Commission and other authorities under the Act.

2. The Industries (Development and Regulation) Act, 1951 (65 of 1951)

Objects and definitions; regulatory mechanism under the Act — registration and licensing of industrial undertakings; exemptions from licensing provisions; Central Government's power in regard to take-over of management of industrial undertakings — investigations and take-over of management; effects of Central Government's orders; offences and penalties, miscellaneous provisions.

3. The Foreign Exchange Regulation Act, 1973 (46 of 1973)

Objects and definitions: nature of restrictions under the Act relevant to companies — issue of shares and other securities to non-residents, establishment of place of business in India by non-residents, payment of dividend to non-residents, provisions relating to foreign collaboration in India, acquisition of shares by non-residents in Indian companies; acquisition of assets in India by non-residents, cognizance of offences and penalties.

4. The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974)

Objects; power of detention of certain persons — execution of detention orders; regulation of place and conditions of detention; absconding persons.

5. The Foreign Contribution (Regulation) Act, 1976 (49 of 1976)

Objects and definitions; regulation of foreign contribution and hospitality; powers of inspection of accounts, records and seizure thereof; offences by companies, adjudication and appeals.

PART B (30 marks)

6. The Consumer Protection Act, 1986 (68 of 1986)

Genesis of the law; objects and definitions; rights of consumers under the Act, nature and scope of remedies.

7. The Standards of Weights and Measures Act, 1976 (60 of 1976)

Basic scheme and objects of the Act; detailed study of the provisions relating to packaged commodities under the Act; applicable provisions concerning penalties and offences.

8. The Essential Commodities Act, 1955 (10 of 1955)

Objects; powers of the Central Government seizure and confiscation of essential commodities; summary trial.

PART C (20 marks)

9. Laws concerning Pollution Control and Environmental Protection

- (a) Objects and salient features of the Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981) — various Boards and their functions and powers; duties of occupier of specified industries to ensure adherence to standards; offences by companies.
- (b) Objects and salient features of the Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974) — functions and powers of Central, State and Joint Boards; compliances regarding discharges causing pollution; penalties and offences.
- (c) Objects and salient features of the Environment (Protection) Act, 1986 (29 of 1986); nature and type of regulation under the Act and powers of various authorities, liability for offences under the Act.

GROUP II — PAPER 8

COMPANY ACCOUNTS-THEORY AND PRACTICE

Level of knowledge: Working knowledge

Objective: To provide conceptual understanding of basic principles involved in maintenance of company accounts in accordance with the principles of company law.

Detailed Contents

1. Statutory records of accounts to be maintained by a company — provisions of the Companies Act, 1956 (1 of 1956).
2. Accounting for share capital transactions— opening of separate bank account, adjustment of excess application money; issue of shares at par, at premium and at discount; accounting treatment and procedure relating to disclosure of premium and discount in the balance sheet; brokerage and underwriting of shares; forfeiture and re-issue of shares; surrender of shares; alteration of share capital; redemption of preference shares— statutory requirements; disclosure in annual return/balance sheet.
3. Issue of debentures — accounting treatment and procedure relating to underwriting of issue of debentures, redemption and conversion of debentures; acceptance of deposits — basic requirements, treatment of interest, deduction and payment of tax, etc.
4. Treatment of preliminary expenses and preparation of Statutory Report.
5. Acquisition of business including treatment of profits prior to incorporation.
6. Preparation and presentation of final accounts of joint stock companies — requirements of Schedule VI; depreciation, rates of depreciation (relevance of

Income-tax rules); provisions and reserves; transfer of profits to reserves and rules relating thereto; payment of dividend out of reserves and rules relating thereto; rules for computation of net profits of the company; appropriation out of profits; determination of managerial remuneration, principles of calculation; accounting treatment for dividends, debenture interest payable, bonus shares, and payment of interest out of capital; audit queries.

7. Accounting treatment for amalgamation, absorption and reconstruction of companies.
8. Valuation of goodwill and shares.
9. Holding and subsidiary companies — accounting treatment and disclosure.
10. Final accounts of banking companies, insurance companies, electricity companies and hotels
11. Insurance claims.
12. Accounting standards — relevance and significance.
13. Preparation and presentation of accounts of government companies and statutory corporations.

PART III

[See regulation 44AA(2)]

SYLLABUS FOR FINAL EXAMINATION

(Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English provided that it shall be competent for the Council to permit subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing for any particular subject. Candidates are expected to be conversant with the

amendments to the laws made up to six months preceding the date of examination).

GROUP I — PAPER 1

FINANCIAL MANAGEMENT

Level of knowledge : Working knowledge

Objective:

To provide —

- (a) conceptual clarity about the management tools, techniques used in financial planning, control and decision making so that candidates are able to tackle the practical situations with ease.
- (b) knowledge of basic concepts on merchant banking and financial services.

Detailed contents

1. Nature of financial management

Nature of investment and financing decisions; decisions criteria — liquidity, profitability, costing and risk; financial distress and insolvency; the art and science of financial management.

2. Analysis of financial statements

Disclosure practices relating to financial statements and impact of accounting policies relating to (a) inventory valuation; (b) depreciation policy; (c) price level changes; and (d) other important accounting policies; techniques of financial forecasting; funds flow analysis; ratio analysis; projected financial statements.

3. Working capital management and control

Working capital leverage; current assets and fixed assets financing; structure of current assets and liabilities; operating cycle concept and applications of quantitative techniques;

working capital management for seasonal industries, sick industries and co-operative; current assets management in public sector; banking norms and macro aspects of working capital management.

4. Security and portfolio management

Indian capital market and securities; recasting of published accounts and analysis of prospectus; forecasting of future earnings; the interest rate structure and yield to maturity curve earning and dividend model; Markowitz approach and some applications, portfolio management and mutual funds.

5. Financial services and merchant banking

Evolution of financial services industry in India and abroad; role and functions of Securities and Exchange Board of India; new issues management and regulatory framework; leases and hire purchase; real estate financing, securitization of mortgages, loan syndication as a financial service; management of financial services, factoring; corporate advisory services — financial consultancy and advisory services; credit rating service and risk management services; scripless trading and raising capital through depository receipts.

6. Project planning

Concept of cost of capital and determining the rate of return for project decision; preparation of project report; project appraisal under normal, inflationary and deflationary conditions; project appraisal by financial institutions; lending policies and appraisal norms by Industrial Finance Corporation of India, Industrial Development Bank of India, Small Industries Development Bank of India and the Industrial Credit and Investment Corporation of India — usual conditions in term loan agreement; loan for modernization and renovation — concessions, loan syndication; monitoring the progress of units assisted by financial institutions; social cost and social benefit analysis of project, control and follow up of project; project financing and venture capital.

7. Capital budgeting

Planning and control of capital, capital expenditure; capital budgeting process; investment criteria — pay back period, accounting rate of return, discounted cash flow methods — net present value method, internal rate of return method, internal rate of return method; choice of methods; risk evaluation and sensitivity analysis, simulation for risk evaluation; linear programming and capital budgeting decisions; cost of capital and its application in capital budgeting decisions.

8. Sources of company finance

Equity and preference shares; debentures and bonds; company deposits; term loans from financial institutions and banks; international finance and syndication of loans; internal funds as a source of finance; dividend policy and retention of profits — bonus shares; Government regulations on issue of securities in India; deferred payment arrangements; basic valuation concepts; corporate taxation and its impact on corporate financing; financing cost escalation.

9. International finance and capital markets

International money markets, instruments, exchange risk and translation of foreign currencies, hedging and swaps, emerging international capital markets.

10. Dividend policy

Different dividend theories; dividend policy — practical considerations and legal constraints; corporate dividend practices in India — statutory framework.

11. Revival, restructuring, diversification and expansion decisions

The problem of sick industries and their revival with special reference to the Sick Industrial Companies (Special Provisions) Act, 1985 and the role of Board for Industrial and

Financial Reconstruction in this regard. Diversification and divestment strategies; new projections and acquisition; mergers and amalgamations — setting up joint ventures abroad; joint sector projects and investment structure.

12. Employee benefits and financial planning

Nature of benefits — statutory and customary; implications of welfare schemes on short-term and long-term finance; retirement benefits and financial implication — future projections and provisions in the accounts.

13. Acquisition and takeover

Strategies; share valuation and price bidding; comparative cost calculations of takeovers and new venture proposals.

14. Risk Management

Insurance Risk Management including the provisions of Public Liability Insurance Act, 1991; administration of company's real property and provisions of adequate security arrangements.

GROUP I — PAPER 2

MANAGEMENT CONTROL AND INFORMATION

Level of knowledge : Working knowledge.

Objective :To develop an understanding of various techniques used for better planning and control to enable the discharge of control functions effectively.

Detailed Contents

PART- A (40 marks)

MANAGEMENT CONTROL

1. Corporate planning and management control

Corporate planning and corporate strategy; business philosophy of corporate planning; the process of corporate

planning; planning gap, strategies to fill up gap; Company Secretary as corporate planner and corporate strategist; management control and various control techniques; variables of managerial performance, developing objective standards for measuring variables; analysis of inputs in terms of engineering capacity and managed cost; concept of responsibility accounting; reporting system for control of performance of organizational unit, division, departments, cells, etc; control of important functions and activities.

2. Internal control system and its evaluation

Nature of internal control; internal control distinguished from internal check and internal audit; nature and scope of internal auditing; internal auditing distinguished from financial audit, proprietary audit, compliance audit and efficiency audit; impact of Manufacturing and Other Companies (Auditors Report) Order, 1988; techniques of internal control system, flow charts, internal control questionnaires; steps for internal control and audit evaluation; audit testing — need for sampling and various approaches to statistical sampling; inter firm and intra firm comparisons — ratio and trend analysis; audit in depth.

3. Controllership

The concept of controllership; functions of controllership; the function of legal reporting, the function of property control; the controller and the management function; organization of the controller's department; the controller and forward planning, his place in the organization and changing role of corporate controller in the corporate world.

PART B (60 Marks)

MANAGEMENT INFORMATION

4. Management Information system

Meaning, nature and basic requirements of management information system; its need, purpose and significance;

recognising the need to provide different types of information at different level of management.

5. System analysis and design

Fundamental principles of systems and sub-system structures; tools for making systems analysis and design; principles of systems analysis and design of management information system; building of management information systems — case studies; application of management information systems theory to actual problems in industry/ Government.

Introduction to file structure and data management system, data base. System Analysis and Design for computer applications — real and strategies.

6. Quantitative techniques for business decisions

Linear programming — basic concepts. Inventory control— application of EOQ model in production process, queuing theory; replacement models; sequencing models; PERT/CPM techniques; games and strategies.

7. Computer concepts and programming

History of computers, generation of computers, components computer ; number systems for computers — binary, octal and hexadecimal, data representation and coding system.

Minicomputers and microcomputers; batch processing, multiprogramming, multiprocessing and time sharing, real time systems; distributed data processing.

Computer memory; auxiliary storage — magnetic tapes and magnetic disks; data entry systems — key punch, key to tapes, key to disks and terminals.

Computer software — operating system, compilers, utilities; computer programming — flow charting, COBOL Programming.

Computer applications in financial accounting, invoicing, inventory control, bills receivable and payroll.

Privacy, security and the computer.

GROUPP I — PAPPER 3

CORPORATE TAX MANAGEMENT — DIRECT TAXES

Level of knowledge : Working knowledge

Objective: To provide understanding of application of concepts relating to direct tax laws with a view to integrating the relevance of these laws with financial planning and managerial decisions.

Detailed contents**1. Basic framework of direct tax laws in India**

Different direct tax laws and their inter-relationship in the scheme of taxation in India, importance of Income-tax Act and annual Finance Acts; the concept of prior tax rulings.

2. Corporate Income-tax in India

Income-tax and sur-tax liabilities of companies; classification of companies and tax incidence under the income-tax Act, 1961 (43 of 1961).

3. The concept of tax planning

Meaning and scope; tax planning differentiated from tax evasion and tax avoidance; need for tax planning; methodology for tax planning; tax planning with reference to type of activity, scale of activity, ownership patterns, locational aspects etc; limitations on the tax planning exercise— flexible planning premises; planning in the concert of court ruling and legislative amendments.

4. Tax planning and financial management

Capital structure of a company and tax incidence; tax as a variable in computing cost of capital; tax considerations in dividend policy and bonus shares issue; taxation of intercorporate dividends and transfers.

5. Setting up of new business and tax planning

Various deductions available to new industrial undertakings; tax planning and managerial considerations; amalgamation and mergers and tax planning — merger with sick units; planning for tax holiday benefits.

6. Foreign collaboration and joint venture agreements

Basic principles; taxation of non-residents; special deductions; foreign collaboration agreements and tax implications; joint ventures abroad and tax considerations; procedure for joint ventures and foreign collaborations.

7. Tax consideration with regard to specific management decisions

Make or buy, own or lease, return or replace,, prepare or renovate, now or later, slow or faster, close or continue; tax consideration relating to variation of portfolio of assets, change of previous year; cash and mercantile systems of accounting — relevance for tax purposes.

8. Employee remuneration

Tax implication of employee compensation schemes wages, salaries, gratuity, perquisites, bonus, commission, etc, managerial remuneration — tax implications and planning consonant with company law requirements.

9. Double taxation avoidance agreements and standard practices with regard to tax laws

- (i) Double taxation avoidance agreements — tax implications thereof;
- (ii) Standard practices with regard to tax laws for company secretaries in practice;

10. Tax management

Areas of tax management — choice of accounting year, deduction of tax at source, advance payments of tax, filing

returns of income, defaults and penalties, organization of tax planning cell, importance of tax management while claiming allowance, exemptions and deductions; the organizational problems of tax management — review of agreements and contracts from tax point of view; review of assessment orders in order to decide the availability of further appeal, revision, review or rectification; drafting ground of appeal, arguments on appeal, memoranda to the Central Board of Direct Taxes and other similar applications.

11. The Wealth- tax Act, 1957 (27 of 1957)

Wealth tax on closely held companies, valuation of assets; filing of returns of wealth tax, assessment and appeals; revision, rectification and review; planning vis-a-vis court decisions and legislative amendments.

GROUP I — PAPER 4

CORPORATE TAX MANAGEMENT — INDIRECT TAXES

Level of knowledge : Working knowledge

Objective: To provide working knowledge of the law and procedure relating of Central Excises, Custom and Central Sales Tax and to integrate the relevance of these laws with financial planning and managerial decisions.

Detailed contents

1. Introduction

Special features of indirect tax levies, all pervasive nature, contribution to Government revenues; fiscal performance as instrument of planning and development — role of indirect tax laws; tax planning and tax management — meaning and significance.

2. The Central Excises and Salt Act, 1944 (1 of 1944)

Nature of levy of excise duty; classification of excisable goods; price lists and their significance; valuation of excisable goods; central excise registration, detailed procedure.

Clearance of excisable goods — procedure under physical control, compounded levy scheme and self removal procedure; gate passes, personal ledger account and daily stock accounts.

Exemption from excise duty levies — nature and types of exemption notifications.

Procedure for clearance of samples, semi-finished goods and return and retention of duty paid goods.

Small scale units and applicable laws and procedures

Set-off of duties — meaning, schemes of and details of procedure.

Central excise concessions on exports — eligibility procedure and formalities for compliance.

An overview of accounts, records and returns to be maintained/filed under the Act.

Adjudication and appeals — detailed procedures before various Excise Authorities and the Appellate Tribunal.

3. Excise law planning

Planning based on interpretation of notifications and court judgments; revision of classification and price lists; rectification proceedings; planning in relation to nature of activity; use of power; commodity of manufacture; method of selling; scale of investment; number of workers, location of the units, etc; supporting documents and records as aids to planning exercise, special relief for exports; excise duties and cash managements; revision and rectification proceedings and their impact on corporate finances.

4. The Customs Act, 1962 (52 of 1962)

Details of procedure in relation to levy, collection and exemption from customs duties —documents to be prepared and presented to customs authorities; valuation of goods; clearance of important and exported goods — procedure.

Detailed procedure in relation to transportation and warehousing — relevant rules and regulations.

Drawback of customs duties paid — preparation and submission of drawback claim forms.

Adjudication and appeals before the customs authorities and the Appellate Tribunal.

5. Customs duty planning

Classifications of goods — principles; rectifications, valuation of goods for purposes of levy —principles, abatement of duties and availing of exemptions, customs levies and cash management.

6. The Central Sales Tax Act, 1956 (74 of 1956)

Inter State sales, Intra State sales and sales in the course of import and export, taxability of inter depot/inter-branch transfer of goods, levy and collection of sales tax — procedure; appeals, revision and rectifications of assessments — procedure; concept of consignment tax.

7. Sales tax planning

Methods of executing sales through branches, head office and factory; export contracts and implications on penultimate sales, canalized exports — implications, planning *vis-a-vis* judicial pronouncement; sales tax levies and cash management; promissory estoppel — extent of application to sales tax matters, a case law review.

GROUP II — PAPER 5

CORPORATE LAWS AND PRACTICE- I

Level of knowledge : Expert.

Objective : 1. To provide thorough knowledge of the provisions of the Companies Act, 1956 (1 of 1956), the Securities Contracts (Regulation) Act, 1956 and procedural and case laws including regulations and guidelines made by Securities and Exchange Board of India for issue of capital.

2. To provide an integrated view and thorough insight into the areas of divergence between the United Kingdom and the Indian Companies Acts.

Detailed contents

1. Historical development of company law in India and the U.K., development of various concepts relating to company law and company law jurisprudence.

2. Formation of a company and matters related thereto.

3. Drafting of company's documents — general principles of drafting and conveyancing; drafting of promoter's contracts, memorandum of association, articles of association, power of attorney to present documents for registration.

4. Borrowing powers, raising of funds for meeting short, medium and long term requirements including public deposits and assistance from commercial banks and financial institutions, loan documentation; management of public issues; drafting of prospectus, underwriting, brokerage agreements, allotment letters, share certificates; debentures, bonds, debenture trust deed; various regulations and guidelines made by Securities and Exchange Board of India for issue of capital

5. Registration, modification and satisfaction of charges including drafting of mortgage deeds

6. Membership, transfer and transmission of shares — Secretarial standard prescribed by the Institute of Company Secretaries of India for toning up the efficiency of secretarial/share departments. of companies in regard to transfer and transmission of securities; assignment of shares.

7. General meetings
8. Giving of guarantees/securities, making of loans to other bodies corporate; intercorporate investments; sole selling agents.
9. Accounts and audit, notes on accounts and audit report; subsequent amendments to audited accounts—disclosure, boards observations and qualifications in Auditors Report.
10. Maintenance of books and registers and filing of returns.
11. Divisible profits; declarations of dividend.
12. Inspection and investigation.
13. Shareholders democracy — principle of majority rule; prevention of oppression and mis-management.
14. Investor and creditor protection
15. Administrative machinery under the Companies Act, 1956 (1 of 1956) including drafting and filing of applications/petitions before the Company Law Board.
16. Compromise, arrangement, reconstruction, amalgamation, and take-overs including drafting of deeds for amalgamation, transfer of undertakings, compromised, etc.
17. Winding up.
18. Contemporary and emerging issues in company law.

GROUP II — PAPER 6

CORPORATE LAWS AND PRACTICE — II

Level of knowledge: Expert

Objective: To provide thorough knowledge regarding the provisions relating to the directors, boards and the related secretarial practice with a view to widening the horizon of the candidates to enable them to assist the directors and Boards for effective management .

Detailed contents**1. Institution of Directors**

The concept of directors and its evolution; statutory provisions relating to qualifications, appointment, remuneration of directors; rights, duties, powers and liabilities of directors; retirement, removal and vacation of office.

2. Evolution of Boards

Historical and legal perspective; philosophy behind the emergence of Boards; financial interest of the Board in company's total shareholding; concept of Board culture; importance of Board's chairman — power and hierarchy.

3. Composition of Boards

Various types of directors; inside director, outside director, professional director, nominee director; the rationale, the changing scenario, the role, viewpoints of financial institutions and social groups regarding nominee directors; whole-time director and his relevance; comparative evaluation of composition of Boards in India and abroad; shareholders democracy and the extent to which it is reflected in constitution of Boards; current practices in India regarding composition of directors; role, appointment, duties and responsibilities and liabilities of full time chairman/part time chairmen, managing director, executive directors, whole-time directors, secretary-cum-director, director, manager *vis-a-vis* the Board . Drafting of agreements for the appointment of managing director, manager and secretary.

4. Decision making by Board and evaluation of Board's effectiveness

Conduct of Board meetings; manner of decision making; board agenda; frequency of Board meetings and nature and level of participation by individual directors; tools for evaluation of Board's functioning; influence of various interest groups — specifically that of the financial institutions in decision making process of the Board; family control of Board— Indian and foreign practices; standards for judging Board's performance; advisability of maintaining progress

report for individual directors; assisting management for performance evaluation of other functionaries.

5. Board committees and their functionaries

Basic philosophy behind constitution of Board committees; delegation by the Board; constraints of delegation; types of Board committees; control on committees; defining limits of powers of the committees; evaluation of functioning of Board committee; non-executive directors and their role at different committees: audit committees and committee of management.

6. Constraints of effective Board functioning

Concept of corporate opportunity; business judgement value; Board's powers and conflict of duties — insider trading, inter-locking of directors, pattern of interlocking in India and abroad, judicial decisions on insider trading and inter locking of directorates.

7. Informational requirements of the Board

Information needs of the Board, reporting to Board; need for independent secretarial department for the Board, manner of collection of information for the Board and its dissemination to the Board; reporting under legal and administrative requirements.

8. Socio-political and legal aspects of Board's responsibilities

Concept of shareholders democracy and multi-interest representation; workers participation in corporate governance practices in India and abroad; powers, rights, social liabilities of directors; trusteeship concept as affiliated to the Board; public directors; current thinking.

9. Secretarial work relating to board meeting

Preparatory work relating to board meetings; preparation of agenda, notes to the agenda, drafting of minutes and its

maintenance, post meeting work; drafting of directors report and preparatory notes for the preparatory notes for the preparation of Chairman's speech — specimens thereof, recent trends in Board and Chairman's reports.

10. Managerial decisions like leasing and amalgamations

Role of Board of directors and secretarial practice related thereto; role of Company Secretary in performance evaluation of other functionaries; judging companies performance; analyzing causes leading to corporate sickness and taking necessary action under the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986) and the work related thereto.

11. Secretarial work relating to various management decisions

Work relating to modernization, reconstruction, diversification and divestment decisions; work relating to capital projects; work relating to setting up joint ventures abroad and foreign collaboration agreements.

GROUP II — PAPER 7

CORPORATE LAWS AND PRACTICE — III

Level of knowledge: Expert.

Objective: To provide thorough understanding of the procedural requirements in regard to certain economic legislation and advanced application of law.

Detailed contents

PART A (50 marks)

1. The Industries (Development and Regulation) Act, 1951 (65 of 1951)

An overview of current industrial policy; procedure for obtaining industrial licences — substantial expansion,

manufacture of new products, change of location, etc; exemption from industrial licensing— conditions to be fulfilled, role of various government agencies in matters relating to industrial licensing.

Small scale and ancillary units — policy and procedure for setting up Small Scale Industrial units; an overview of infrastructure, fiscal and other support schemes for Small Scale Industrial sector.

Setting up units in Free Trade Zones and 100 per cent Export Oriented Units — policy and procedure.

2. The Monopolies & Restrictive Trade Practices Act, 1969 (54 of 1969)

Law and procedure relating to provisions regarding concentration of economic power; procedure for registration of agreements relating to certain trade practices; procedure for investigation/inquiry by the Monopolies and Restrictive Trade Practices Commissions and other authorities in relation to restrictive unfair and monopolistic trade practices.

3. The Foreign Exchange Regulation Act, 1973 (46 of 1973)

Law and procedure for issue and transfer of shares, debentures, etc; to non-residents, payment of dividends/interest to non-residents; procedure for obtaining clearances for foreign collaboration and matters connected therewith, setting up of offices and branches abroad, business visits abroad by executives and directors, regulations concerning export of goods, opening and operating of different non-resident accounts, non-resident Indian investments, acquisition of property outside India.

4. Procedures under the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992)

Nature of obligations under the Act; procedure for obtaining Importer-Exporter Code Number; procedure for

imports — capital goods, raw material, designs, drawings and spares; negotiation of documents; Import of canalized items; export procedure and documentation; export incentives; role of Export Credit and Guarantee Corporation and Export Import Bank of India

PART B (30 Marks)

5. The Trade and Merchandise Marks Act, 1958 (43 of 1958)

Law and procedure relating to registration of trade marks, caution notices; infringement and passing off proceedings; licensing and assignment of marks.

6. The Patents Act, 1970 (39 of 1970)

Basic law and procedures in relation to registration of patents, licensing of patents, revocation of patents and action against infringement of patents.

7. The Copyright Act, 1957 (14 of 1957)

Basic law and procedure in relation to duration of and registration of copyrights, assignment of copyrights and licensing of copyrights.

8. Environment Protection and Pollution Control Laws

Statutory obligations and compliances to be ensured under the following laws:

- (i) The Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974)
- (ii) The Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981)
- (iii) The Environment (Protection) Act, 1986 (29 of 1986)

9. Law and procedure relating to Package Commodities under the Standard of Weights and Measures Act, 1976 (60 of 1976)

PART C (20 marks)

10. Law and Procedure under the Consumer Protection Act, 1986 (68 of 1986)**11. The Indian Stamp Act, 1899 (2 of 1899)**

Methods of Stamping; consequences of non-stamping and understamping; impounding of instruments; construction of instruments for determination of stamp duty payable; adjudication; allowance and refund, penalty provisions.

12. The Registration Act, 1908 (16 of 1908)

Registrable documents — compulsory and optional; time and place of registration; consequences of non-registration; description of property; miscellaneous provisions.

GROUP II — PAPER 8

SECRETARIAL AND MANAGEMENT AUDIT

Level of knowledge: Expert knowledge.

Objective: To develop skills of high order so as to provide thorough knowledge of the checklists under the corporate laws with an emphasis on compliance of secretarial and management audit.

Detailed Contents

PART A (75 marks)

SECRETARIAL AUDIT**1. Conceptual framework**

Company Secretary in practice, various recognitions and areas of practice; concept of self regulatory administration by exception; challenges before the profession

2. Need and scope of secretarial audit and compliance report— secretarial auditor — appointment, rights, powers and duties disqualifications, dismissal, number of audits, period of audit, scope of audits, important points to be kept in view by the secretarial auditor/consultant; check list/working sheet for secretarial compliance under various corporate and labour laws and covenants of loan agreements entered into with, financial institutions, a study of the format and various aspects covered in the secretarial compliance report.

3. Certification and signing

Signing of annual return by secretary in whole time practice under Section 161 of the Companies Act, 1956 (1 of 1956) certification with respect to compliance with the requirements of Schedule XIII, making of declaration under Sections 33 (2) and 149 of the Companies Act, 1956 (1 of 1956) other certifications under the Companies Act, 1956 (1 of 1956) and rules framed thereunder.

4. Search/status reports

Search and status reports and certificates to banks and financial institutions

5. Pre-certification of Documents

Rationale, pre-certification of documents required to be filed with the Registrar of Companies.

6. Appraisal of pre-capital issues work

Appraisal of documents relating to public issues; prospectus, letter of offer and other documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Stock Exchange and other authorities; compliance of listing formalities, company law, Securities Contracts (Regulation) Act, 1956 and other requirements.

7. Appraisal of post-capital issue work

Compliance certification to be forwarded to Securities and Exchange Board of India by the lead managers along

with their report on the issue; appraisal of processing of share/debenture application forms, allotment finalisation, dispatch of refund orders/allotment letters/certificates and other issue related documents, register of members/debenture holders, execution of debenture trust deed, creation of securities and their registration, counter signing of certification to be furnished to Securities and Exchange Board of India by a listed company in respect of bonus issue.

8. Share transfer audit

Appraisal of share transfer work — processing of transfers and maintenance of Register of Members and debenture holders; processing of dividend/interest warrants, dispatch of notices, annual report, letter of offer.

9. Certification under enactments

Certification under FERA, Import-Export Policy; certification of prescribed details of company chartering foreign fishing vessels

10. Insider trading and appraisal of compliances thereof by a Company Secretary in practice.

11. Social responsibilities of secretarial auditors, ideology, code of conduct and responsibility of secretarial auditor; professional standards; continuing education; interaction with other professions.

PART B (25 marks)

MANAGEMENT AUDIT

1 Management and operational audit

Its nature and purpose; evaluation of management control system, concept of efficiency audit; concept of propriety audit for public sector companies with special reference to Section 619 and special audit under Section 233A of the Companies Act, 1956 (1 of 1956)

2. Review of internal control

Review of purchasing operations, review of efficiency of management information system, review of selling and distribution policies and programmes, review of appraisal of management decisions.

3. Cost audit

Meaning and objects, cost audit distinguished from financial audit and management audit; types of cost audit; scope; functions and advantages of cost audit; Cost Audit Report Rules.]

¹³² [“**SCHEDULE CCB**

[See Regulations 39A(2), 41B(2) and 44B(2)]

Syllabus for the Company Secretaries Examination

The objective of the course is to develop a cadre of Company Secretaries by imparting professional knowledge and training considered pre-requisite for functioning of a Company Secretary— Whether in employment or in practice. The syllabus for the examination as set out below gives the broad framework within which questions may be asked. The questions may not be necessarily restricted to specific wordings or nomenclature of any terms and legislative enactments contained therein. The field of business being in a constant state of flux, the candidates are expected to be thoroughly conversant with the latest developments in different areas, amendments to the laws or the corresponding provisions of any statutory modification or re-enactment thereof and judicial pronouncements related and relevant to the stated course contents. The Candidates are expected to keep track of and have intelligent grasp of the latest developments in the relevant areas that have taken place up to six months preceding the date of examination.

Each paper at the Foundation, Intermediate and Final Examination or Professional Programme Examination will be of three hours duration and will carry 100 marks. Medium of writing at the examination will be English, provided that it shall be competent for the Council to permit, subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, use of Hindi as medium of writing for any particular subject(s).

PART I

Syllabus for Foundation Examination

PAPER 1 : ENGLISH AND BUSINESS COMMUNICATION

Level of knowledge: Working knowledge.

Objective: To develop students ability to communicate correctly and effectively in written English, on matters having

¹³² Inserted by the Company Secretaries (Amendment Regulations, 2001, Notification No. ICSI/710/2/M/26 published in the Gazette of India; Extraordinary, Part III- Section 4 dated 10th August, 2001.

relevance to day-to-day business operations with emphasis on quality communication.

Detailed contents:

PART A : ENGLISH (40 MARKS)

1. Essential of Good English

Grammar and usage; enriching vocabulary, words — multiple meaning — single word for a group of words— choice of words — words frequently mis-spelt; punctuations, prefix and suffix; parts of speech; articles; synonyms and antonyms; tenses; idioms and phrases; foreign words and phrases commonly used; abbreviations and numerals; pronunciation.

2. Essay Writing

Essays on matters of current interest on trade, commerce, industry and profession.

3. Precis Writing

Preparation of summary of office notes; summary of matters appearing in economic and commercial dailies and journals for use in committee meetings in the office; summary of decisions taken in meetings and conferences.

PART B: BUSINESS COMMUNICATION (60 MARKS)

4. Business Communication

Meaning and significance of good Communication; principles of business Communication; means of Communication — oral, written visual, audio-visual; essentials of a good business letter, etc.

5. Business Correspondence

Personnel: drafting of interview letters, call letters and offer of appointment; provisional appointment orders; final orders of appointment; employee disciplinary matters — show-cause notices, charge sheets, letters of dismissal and other disciplinary actions.

Purchase: requests for quotations, tenders, samples and drawings; test order; complaints and follow-up

Sales: drafting of sales letters, circular letters, preparation of sale notes with conditions of sale; status inquiries; preparation of market survey reports; reports to sales manager such as sales promotion matters; drafting of advertisements.

Accounts: correspondence with various agencies: customers— regarding dues, follow up letters; banks— regarding over-drafts, cash credits and account current; insurance companies— regarding payment, renewal of insurance premium, claims and their settlement; public authorities like Provident Fund Commissioner, post and telegraph authorities, regarding payment of provident fund contributions; installation of new connections and payment of telephone bills; payment of sales tax.

Secretarial: correspondence with shareholders and debenture-holders pertaining to dividend and interest, transfer and transmission.

Miscellaneous: Resume, letter of application, goodwill messages, condolence letters.

6. Administration and Miscellaneous

Drafting to telegraphic and facsimile messages, messages through electronic media; public notices and invitations; representations to Trade Associations, Chambers of Commerce and public authorities.

7. Inter-departmental Communication

Internal memos; office circulars; office orders; office notes; representation to chief executive and replies thereto; communication with regional/branch offices.

8. Preparation of Press Releases.

PAPER 2: BASIC ECONOMICS AND BUSINESS ENVIRONMENT

Level of knowledge: Basic knowledge.

Objective: To provide basic and conceptual understanding of economic concepts, principles of economics and business

environment.

Detailed contents:

PART A: BASIC ECONOMICS (70 MARKS)

1. Nature and Scope of Economics

Definition, nature and scope of economics; micro and macro economics; positive and normative economics; working of economic systems with special reference to the capitalistic, socialistic and the mixed economies.

2. Demand Analysis

Utility analysis – total utility and marginal utility; law of diminishing marginal utility; law of equi-marginal utility; indifference curves – meaning, properties, marginal rate of substitution; consumers' equilibrium; law of demand; elasticity of demand.

3. Production, Costs and Revenue Analysis

Laws of returns; returns to scale; costs and revenue concepts and their relationship with output; economies and diseconomies of scale.

4. Equilibrium of the Firm and Industry

Price and output determination under perfect competition, monopoly and monopolistic competition.

5. National Income

Concept, significance and measurement of national income.

6. Money and Credit

Concept of money and credit; the Quantity theory of money; the supply of money; credit creation by bank; functions of central banking and its instruments of credit control.

7. Theory of Employment and Income Determination

Framework of Keynesian theory of income and employment, consumption function, investment function and their determinants, investment multiplier; determination of

level of income and employment; Keynesian theory with reference to developing economies.

8. Inflation and Deflation

Concept and features of inflation, demand pull and cost push inflation; measures to control inflation; deflation and measures to control it; stagflation.

9. International Trade and Balance of Payments

Theory of comparative cost advantage, terms of trade and their determinants, concept of rate of exchange; balance of trade and balance of payments and their relationship, measures against balance of payments disequilibrium.

PART B: BUSINESS ENVIRONMENT (30 MARKS)

10. Business Environment – An Overview

The concept and relevance of business environment; government failure and market failure; market guidance v. State regulation.

11. Indian Economy

Salient features of Indian economy – a mixture of market forces and government regulation; roles assigned to public and private sectors.

Role of government in the areas of (i) infrastructure; (ii) industrial policy; (iii) labour and industrial relations; (iv) foreign trade, balance of payments and foreign investment and (v) taxation and subsidies.

12. Indian financial Systems and Recent Developments.

PAPER 3: FINANCIAL ACCOUNTING

Level of knowledge: Basic knowledge.

Objective: To provide an understanding of the basic principles of accounting and their application in business.

Detailed contents:

1. **Accounting** – meaning, nature, functions and usefulness; types of accounting; accounting equation;

generally accepted accounting concepts, principles and conventions; double entry system.

2. **Recording of transactions** – preparation of ledger accounts, subsidiary books, recording of cash and bank transactions, preparation of trial balance; voucher system.
3. **Preparation of bank reconciliation statement.**
4. **Rectification of errors.**
5. **Preparation of final accounts (non-corporate entities)**— capital and revenue items, manufacturing, trading and profit and loss account, balance sheet, adjustment entries, closing entries.
6. **Accounting for depreciation** – need for and significance of depreciation, methods of providing depreciation.
7. **Inventory valuation** – significance, inventory system, methods of inventory valuation.
8. **Accounting for bills of exchange** – bills receivable and payable, acceptance, endorsement, discounting, retirement, dishonour and renewal of bills, accommodation bills.
9. **Accounts of non-profit organization** – receipts and payments and income and expenditure accounts and balance sheet; accounts of professionals.
10. **Single entry system** – preparation of accounts from incomplete records.
11. **Average due date and account current.**
12. **Control accounts** – self-balancing and sectional balancing ledgers.
13. **Accounting for consignments and joint ventures.**
14. **Branch and departmental accounts, inter-departmental transfers.**
15. **Partnership accounts:**

- (i) Fundamentals – capital, fixed and fluctuating adjustments for change in profit sharing ratios; revaluation of assets and liabilities; goodwill; joint-life policy.
- (ii) Reconstitution of the firm—admission, retirement and death of a partner; amalgamation.
- (iii) Dissolution of partnership including piece-meal distribution; sale to a company.

16. Accounting for hire purchase and installment systems.

17. Basic principles relating to lease accounting.

18. Insurance claims – claims under fire insurance policies, claims for loss of stock; claims for loss of profit.

PAPER 4; ELEMENTS OF BUSINESS LAWS AND MANAGEMENT

Level of knowledge: Basic knowledge.

Objectives:

(i) To give an exposure to the students of some of the important commercial laws, the knowledge of which is essential for an understanding of the legal implications of the general activities of a modern business organization.

(ii) To acquaint the students with the principles of management.

Detailed contents:

PART A: ELEMENTS OF BUSINESS LAWS (50 MARKS)

1. Law

Meaning of law, its significance and relevance to modern civilized society; sources of law.

2. Law relating to Contract – An Overview

Contract—meaning; essentials of a valid contract; nature of contract; performance of contract; termination and discharge of contract; indemnity and guarantee; bailment and

pledge; law of agency.

3. Law relating to sale of Goods – An Overview

Essentials of a contract of sales; sale distinguished from agreement to sell, bailment, contract for work and labour and hire–purchase; conditions and warranties; transfer of title by non-owners; doctrine of caveat emptor; performance of the contract of sale; unpaid seller – his rights against the goods and the buyer.

4. Law relating to negotiable Instruments – An Overview

Definition of a negotiable instrument; instruments negotiable by law and by custom; types of negotiable instruments; parties to a negotiable instrument – duties, rights, liabilities and discharge; material alteration; crossing of cheques; payment and collection of cheques and demand drafts; presumption of law as to negotiable instruments.

5. Law relating to Partnership – An Overview

Nature of partnership and certain similar organizations co-ownership, Joint Hindu Family; partnership deed; rights and liabilities of partners including those of newly admitted partners, retiring and deceased partners; implied authority of partners and scope; registration of firms; dissolution of firms and of the partnership.

6. Elements of Company Law

Meaning and nature of company; promotion and incorporation of a company; familiarization with the concept of Board of directors, shareholders and company meetings; Company Secretary.

PART B: ELEMENTS OF MANAGEMENT (50 MARKS)

7. Nature of Management and its Process

Meaning, nature of management and its process; planning, organising, directing, coordination and controlling.

8. Planning

Policies and procedures; methods of planning; decision-making.

9. Organising

Structure; principles and theories of organization: span of management; centralization and de-centralisation; line and staff functions; delegation; function organisation; formal and informal organisation; growth in organisation.

10. Staffing

Meaning, nature and functions or personnel management, selection, training and development; performance appraisal.

11. Direction and Co-ordination

Communication, motivation, morale and leadership; internal and external co-ordination; committees in management; management of change; organization development.

12. Controlling

Concepts and basic control process; essential of a good control systems; traditional and non-traditional control devices.

PAPER 5: INFORMATION SYSTEMS AND QUANTITATIVE TECHNIQUES

Level of knowledge: Basic knowledge.

Objective: To provide an awareness of basic concepts of information systems and various quantitative techniques to the students.

Detailed contents:

PART A: INFORMATION SYSTEMS (50 MARKS)

1. Systems – An Overview

Systems – definition, characteristics, types of systems, sub-systems, super systems, and total systems; systems concepts in business, systems approach to management problem solving.

2. Information and Information systems – An Overview

Information and data – definition and distinction, information as a corporation resource, features and qualities of information; types of information; process of generating information; value and cost of information; information needs at various levels of management; factors influencing information needs; information systems – definition and elements; information system activities; types of information systems; information systems in business management; recent trends in information systems.

3. Computer Hardware – An Overview

Computers – an introduction, benefits and drawbacks of computers; computer system concept; types; categories; generation and trends in computers; components of a computer system; primary and secondary storage; computer storage capacities; computer peripherals —inputs, output and storage devices; number system (binary; octal; hexadecimal and their operations) for computers; security of computer hardware, hardware standards, acquisition and selection of computers.

4. Computer Software – An Overview

Computer software – an introduction, software trends; systems software – operating systems, utilities, assembler, compiler, linker, loader; multi-programming, multi-processing, time sharing, batch processing, on-line and real time processing; application software; computer virus and crimes.

5. Data Base

Data base concepts, data structure, data base management system; data base files.

6. Programming – An Overview

Programming concepts, stages of Programming; Programme development approach; algorithm, flow charting concepts; high level languages; machine level languages.

PART – B: QUANTITATIVE TECHNIQUES (50 MARKS)

7. Quantitative Techniques – an Introduction

Classifications of quantitative techniques; applications of

quantitative techniques to business and industry; limitations of quantitative techniques.

8. Statistical Techniques

- (i) Descriptive statistics – functions, scope, distrust and limitations of statistics.
- (ii) Statistical data collection– primary and secondary data, methods of collecting primary data sources of secondary data, census and sample investigation.
- (iii) Presentation of statistical data – classification; tabulation; frequency distribution; diagrams and graphs
- (iv) Statistical averages – importance and requisites of a good statistical average; types of averages – arithmetic mean, median, mode, geometric mean and harmonic mean, weighted average; relationship amongst different averages.
- (v) Dispersion– meaning and significance of dispersion; methods of measuring dispersion-range, quartile; mean deviation, standard deviation, Lorenz Curve.
- (vi) Correlation and regression analysis (simple)– meaning and significance of correlation, types of correlation, methods of studying correlation – scattered diagram, Karl Pearson's coefficient of correlation; rank correlation; co-efficient of determination; regression analysis – meaning and significance, difference between correlation and regression, regression lines, regression equations, coefficient of regression; standard error of the estimate.
- (vii) Index numbers – definition and significance of index numbers, construction of index numbers, types of index numbers, consumer price index numbers, limitations of index numbers.
- (viii) Time series analysis – meaning, significance and

components of time series measurement of trend— graphic, semi-average, moving average and least square method, measurement of seasonal variations; forecasting.

9. Linear Programming Technique - Basics

Meaning, advantages, limitations and business applications of linear programming; basic terminology; formulation of linear programming problem; graphic solution of linear programming problem.

PART II

Syllabus for Intermediate Examination or Executive Programme Examination

GROUP I

PAPER 1: GENERAL AND COMMERCIAL LAWS

Level of knowledge: Working knowledge.

Objective: To provide to the students basic understanding of some of the general and business laws, which have a bearing on the conduct of corporate affairs.

Detailed contents:

1. Constitution of India

Broad framework of the Constitution of India: fundamental rights, directive principles of State policy; ordinance making powers of the President and the Governors; legislative powers of the Union and the States; freedom of trade, commerce and intercourse; constitutional provisions relating to State monopoly; judiciary; writ jurisdiction of High Courts and the Supreme Court; different types of writs;— habeas corpus, mandamus, prohibition, *quo warranto* and certiorari; delegated legislation.

2. Interpretation of Statutes

Need for interpretation of a statute; general principles of interpretation – internal and external aids to interpretation, primary and other rules.

3. Law relating to specific Relief

Instances where specific performance is allowed; recovery of movable and immovable property; persons against whom specific performance can be enforced; **discretion of court; preventive relief.**

4. Law relating to Arbitration and Conciliation

Law of Arbitration in India – types of arbitration; appointment of arbitrators– procedure; judicial intervention; venue-commencement; award-time limit-enforceability ; interest; recourse against award– appeals; conciliation and compromise; arbitration of transnational transactions–foreign awards; arbitration agencies – The International Centre for Alternative Dispute Resolution, The Indian Council of Arbitration, chambers of commerce, professional arbitrations; alternate disputes resolution.

5. Law relating to Limitation

Computation of period of limitation for different types of suits–continuous running of time; extension of period of limitation; limitation and writs under the Constitution.

6. Law relating of Transfer of Property

Important definitions; movable and immovable property; properties which cannot be transferred; rule against perpetuities; *lis pendens*; provisions relating to sale, mortgage, charge, lease, gift and actionable claim.

7. Law relating to Stamps

Methods of stamping; consequences of non-stamping and understamping; impounding of instruments; construction of instruments for determination of stamp duty payable; adjudication; allowance and refund; penal provisions.

8. Law relating to Registration of Documents.

Registrable documents – compulsory and optional; time and place of registration; consequences of non-registration; description of property; miscellaneous provisions.

9. Information Technology Law – An Overview

Important terms under information technology legislation; digital signatures; electronic records; certifying authority; digital signature certification; Cyber Regulation Appellate Tribunal; offences and penalties.

10. Code of Civil Procedure

Elementary knowledge of the structure of civil courts; their jurisdiction, basic understanding of certain terms — order, judgement and decree, stay of suits, *res judicata*, suits by companies, minors, basic understanding of summary proceedings, appeals, reference, review and revision.

11. Criminal Procedure Code

Offences; *mens rea*, cognizable and non-cognizable offences, bail continuing offences, searches, limitation for taking cognizance of certain offences.

12. Law of Evidence

The objective of the study of the law of evidence, relevant facts, *res gestae*, motive, preparation and conduct, admissions, confessions, facts of which evidence need not be given, facts of which evidence cannot be given, oral, documentary and circumstantial evidence.

13. Law relating to Trusts

General concept relating to trusts; creation of trust; duties and liabilities of trustees; rights and powers of trustees; disabilities of trustees and rights and liabilities of the beneficiary

14. Law relating to Societies Registration

General concept relating to registration of societies; property of societies how vested; suits by and against societies; enforcement of judgement against societies; dissolution of societies.

PAPER 2: COMPANY ACCOUNTS AND COST & MANAGEMENT ACCOUNTING

Level of knowledge: Working knowledge.

Objectives:

- (i) To provide working knowledge of accounting principles

and procedures for corporate entities in accordance with the statutory requirements.

(ii) To acquaint the students with cost and management accounting techniques and practices.

Detailed contents:

PART A: COMPANY ACCOUNTS (50 MARKS)

- 1. Statutory records to be maintained by a company.**
- 2. Accounting standards** — relevance and significance; national and international accounting standards.
- 3. Accounting for share capital transactions** – issue of shares at par, at premium and at discount; forfeiture and re-issue of shares; buy-back of shares; redemption of preference shares– statutory requirements, disclosure in balance sheet; right issue.
- 4. Issue of debentures** – accounting treatment and procedures; redemption of debentures; conversion of debentures into shares.
- 5.** Understanding of issues; acquisition of business; profits prior to incorporation; treatment of preliminary expenses.
- 6.** Preparation and presentation of final accounts of joint stock companies as per company law requirements; provisions and reserves; determination of managerial remuneration; appropriation out of profits; transfer of profits to reserves; payment of dividend, transfer of unpaid dividend to Investor Education and Protection Fund; bonus shares and payment of interest out of capital.
- 7.** Accounting treatment for amalgamation and reconstruction of companies; internal reconstruction
- 8. Holding and subsidiary companies** – accounting treatment and disclosure; consolidation of accounts.
- 9. Valuation of goodwill and shares.**
- 10.** Final accounts of banking companies, insurance

companies and electricity companies.

11. Overview of financial reporting in respect of various kinds of financial institutions like funds, non-banking finance companies, merchant bankers, stock brokers, etc.

12. Computerised accounting — accounting softwares; accounting applications using data base management system, role of computers in accounting.

**PART B: COST AND MANAGEMENT ACCOUNTING
(50 MARKS)**

13. Introduction — objectives of costing system; cost concepts and cost classification; establishing costing system; management accounting — meaning, nature and scope; role of management accountant, tools and techniques of management accounting; distinction between financial accounting, cost accounting and management accounting.

14. Elements of cost:

- (i) Material cost — purchase procedures, store keeping and inventory control, fixing of minimum, maximum and re-order levels, ABC analysis, pricing of receipts and issue of material and accounting thereof, investigation and corrective steps for stock discrepancies; accounting and control of wastage, spoilage and defectives.
- (ii) Labour cost— classification of labour costs, payroll procedures, labour analysis; monetary and non-monetary incentive schemes; measurement of labour efficiency and productivity; labour turnover and remedial measures; treatment of idle time and overtime
- (iii) Direct expenses — nature, collection and classification of direct expenses and its treatment.
- (iv) Overheads — nature, classifications, collection, allocation, apportionment, absorption and control of overheads.

15. Reconciliation of cost and financial accounts.

16. Methods of costing – output or unit costing; job and batch costing; operating costing; contract costing; process costing – treatment of by-products and joint products.

17. Budgetary control — preparation of various types of budgets, advantages and limitations; budgetary control reports to management; zero base budgeting; performance budgeting.

18. Standard costing and variance analysis — standard costing distinguished from budgetary control; types of standards, determination of standards, variance analysis; disposal and reporting of variances to management.

19. Marginal costing and break-even analysis — marginal costing distinguished from absorption costing; application of marginal costing; contribution concept and decision making; cost-volume – profit relationship; breakeven analysis; preparation of break-even charts, profit – volume graph; practical application of profit volume ratio.

20. Analysis and interpretation of financial statements — nature, objectives; latest trends in presenting financial data; importance and limitations; types and tools of financial statement analysis; accounting ratios — classifications, advantages and limitations; inter-firm comparison.

21. Cash flow statements — classification of cash flows, preparation and usefulness

22. Accounting for price level changes — inflation accounting, limitations of historical cost accounting, methods of accounting for changing prices.

23. Responsibility accounting — basic principles, centers of control; responsibility reporting, implementation, organizational aspects, benefits and difficulties; management reporting system; behavioral consideration in accounting; social reporting.

PAPER 3: TAX LAWS

Level of knowledge : Working knowledge.

Objectives:

(i) To impart knowledge of the basic principles underlying the substantive provisions of direct and indirect tax laws to the students.

(ii) To equip students with application of principles and provisions of direct tax laws in computation of income and taxation of a 'person' excluding companies under various heads of income and their assessment procedures.

Detailed contents:**PART A: DIRECT TAX LAWS (60 MARKS)****The Income-tax Act**

1. Definitions, concept of income, previous year, assessment year, residential status.
2. Distinction between capital and revenue receipts and expenditure.
3. Basis of charge and scope of total income.
4. Income deemed to accrue or arise in India and deemed to be received in India.
5. Income exempt from tax.
6. Computation of total income under various heads, such as — salaries, income from house property, profit and gains of business or professions, capital gains, income from other sources.
7. Income of other persons included in assessee's total income; aggregation of income and set off or carry forward of losses; various deductions to be made in computing total income, rebates and relief in respect of income-tax; rates of applicable taxes and tax liability
8. Taxation of every person excluding companies, viz., individuals including non-residents, Hindu Undivided Family, firms, association of persons, cooperative societies, trusts and charitable and religious institutions, etc.

9. Income-tax authorities — their appointment, jurisdiction and powers.
10. Special provisions relating to certain incomes of non-residents.
11. Provisions concerning procedure for assessment/ reassessment.
12. Provisions relating to collection and recovery of tax.
13. Refund of tax.
14. Appeals and revision provisions.
15. Penalties impossible, offences and prosecution.

Wealth-tax Act

16. Charge of wealth tax; assets, deemed assets and assets exempt from tax; valuation of assets; computation of net wealth, return of wealth and provisions concerning assessment; liability to assessment in special cases; appeals, revisions and references; payment and recovery of wealth tax; refunds; other miscellaneous provisions

17. Gift- tax Act as and when applicable.

PART B: INDIRECT TAX LAWS (40 MARKS)

Central Excise Laws

The legislative background of the Central Excise including constitutional provisions; nature of excise duty; central excise duty— chargeability— scope and basis of the levy— meaning of goods, manufacture and manufacturer; classification and valuation of goods; duty payment and exemption provisions; provisions and procedure dealing with registration and clearance of goods; an overview of set off of duty scheme

Custom Laws

Historical perspective and legislative background of the levy; appointment of Customs Officers, ports, warehouses etc., nature of and restrictions on imports and exports; levy, exemption and collection of customs duties – an overview of

law and procedure; clearance of goods from the port, including baggage, goods imported or exported by post; stores and goods in transit; duty drawback provisions..

Central State Tax Laws

Evolution and scope of levy of Central State tax; Inter-State sale, sale outside a State and sale in the course of import and export — basic principles; registration of dealers and determination of taxable turnover.

PAPER 4: MANAGEMENT INFORMATION SYSTEMS AND CORPORATE COMMUNICATION

Level of knowledge : Working knowledge.

Objectives:

(i) To provide to the students an understanding of Management Information Systems (MIS) and use of information technology in business.

(ii) To equip students with necessary concepts, techniques and skills of effective communication.

Detailed contents:

PART A: MANAGEMENT INFORMATION SYSTEMS (50 MARKS)

1. System Analysis and Design — An Overview

System study; system design, development and implementation, testing and conversion.

2. Management Information Systems — An Overview

Management information systems concept; evolution and elements of MIS; definition, characteristics and basic requirements of MIS; structure of MIS; computerised MIS; approaches of MIS development; pre-requisites of an effective MIS; computers and its effect on MIS, limitations of MIS; MIS vs. data processing; MIA and decisions support systems, MIS and information resource management,

executive information and decision support system; artificial intelligence and expert system, MIS in Indian organizations; recent developments in information technology.

3. Computers and Communication – An Overview

The information technology — the concept of global village, on-line information services, electronic bulletin board systems; the internet; intranet; extranet; electronic mail; interactive video; communication channels; communication networks; local area networks; wide area networks; video conferencing; emerging information technologies in new millennium.

4. Client/Server Computing

Communication servers; digital networks; electronic data interchange and its applications; enterprise resource planning system; intra-organizational information system, value added networks.

5. Electronic Commerce and Internet

E-commerce — basics; e-commerce and internet; applications of internet; website management; multimedia.

6. Contemporary Issues and Developments.

PART B: CORPORATE COMMUNICATION (50 MARKS)

7. Process of communication, barriers and gateways in communication; structure — means, modes and types of communication; feedback in communication; social aspect of communication.

8. Effective speaking— principles of effective oral communication — speech preparation; observing protocol; voice control, pronunciation, body language; cues and clues; techniques of effective speech; inter-personal communication — art of conversation, conversational control; official and social functions; interviews – art of interviewing, types of interviews, conduct of interview, recording of interview, job related interviews.

9. Representation and inter-personal skills — principles of effective written communication– presentation of matters in

writing in logical manner to business, social and governmental authorities; representation at public forums; press releases; preparation of bio-data and resume.

10. Art of public relations; establishment if liaison, rapport with people and organizations; social events participation, programme sponsorship; drafting of corporate notices and advertisements, corporate image building.

11. Art of conducting negotiations; people counseling conflict resolution and problem solving techniques; art of listening and understanding, winning over opponents; art of persuasion and influencing.

12. Report writing; preparation of promotional articles, bibliography; representation of facts and figures; preparation of summaries.

13. Conducting meetings and discussions; press conferences, formal and informal meetings, exhibitions, surveys, road-shows, launches, campaigns.

14. Development of conceptual and analytical skills — comprehension of key issues from complex material; identification of priorities; integration of diverse sources of information; clarity in thinking.

15. Personal and professional development; ingraining general and useful knowledge; emotional intelligence; personal conduct and behaviour, self confidence, initiative and motivation, business acumen, creativity, innovation and upgradation, planning for change, adapting to new situations, emotional stability, knowledge sharing and using, team building and leading.

GROUP II

PAPER 5 : COMPANY LAW

Level of knowledge : Expert knowledge.

Objectives:

(i) To develop an understanding of the regulation of registered companies and to provide thorough

understanding of the various provisions of the Indian Company Law as well as Schedules and Rules made thereunder including their interpretation through case laws, departmental clarifications, etc.

(ii) To provide conceptual understanding of the principles of Co-operative Law.

Detailed contents:

1. Introductory

The company as a business medium — nature and form of business enterprise; types of business enterprises.

Nature and functions of companies; concept of corporate personality and nature of corporateness— company as a person, resident, citizen.

2. Incorporation and its Consequences

Formation of a company and types of companies — Memorandum of Association, Articles of Association, additional documents required for incorporation, certificate of incorporation; commencement of business.

Government and foreign companies — Alteration of Memorandum and Articles and limitation on power of alteration.

Promoters — meaning and importance; position, duties and liabilities

Corporate transactions — pre-incorporation contracts; doctrine of *ultra-virus* and common seal.

Protection of persons dealing with a company – the doctrine of constructive notice; doctrine of indoor management and lifting of corporate veil.

3. Financial Structure and Membership

The concept of capital and financing of companies— sources of capital; classes and types of shares; equity with differential rights; issue of shares at par, premium and discount; bonus issues, right issue, issue of sweat equity shares; employee stock option scheme; private placement.

Share capital alteration — alteration of share capital; reduction of paid-up capital; forfeiture and surrender.

Prospectus — definition; abridged prospectus; statement in lieu of prospectus; shelf prospectus; information memorandum; contents, registration, misrepresentations and penalties therefore.

Debt capital — debentures, debenture stock, bonds; new developments in corporate debt financing; debenture trust deed and trustees; conversion of and redemption of debentures; creation of charges — fixed, floating and registration thereof.

Allotment and certificates — contracts to subscribe for shares, debentures and other securities; letters of allotment and renunciation; calls and forfeitures; share certificates and shares warrants.

Membership — modes of acquiring membership including through depository mode; restriction on membership; rights and privileges of members.

Transfer and transmission of securities in physical and depository modes.

4. Management and Control of Companies

Directors — appointment/re-appointment of directors, qualifications, disqualifications, remuneration, vacation of office, retirement, resignation and removal; loans to directors; their powers and duties, office or place of profit; role of directors.

Managing and whole-time directors, manager, company secretary—appointment, re-appointment, powers and duties.

Meetings of director and committees — frequency, convening and proceedings of Board/Committee meetings, minutes and evidence.

General meetings — kinds of meetings and resolutions; law, practice and procedure relating to convening and proceedings at general and other meetings; recording and signing of minutes; role of chairman; teleconferencing; postal ballot.

Distribution of powers of a company— division of powers between Board and general meeting; acts by directors in excess of authority; monitoring and management.

5. Deposits

Invitation, acceptance; renewal, repayment, default and remedies.

6. Investments and loans

Law relating to making investments in and granting loans to other bodies corporate and giving guarantees and providing security.

7. Corporate Accountability

Accounts and audit — statutory books to be kept; form and content of balance sheet and profit and loss account; disclosure of accounts of subsidiary companies; director's report, auditor's report, chairman's speech, director's replies to qualifications in auditor's report, director responsibility statement, corporate governance statements compliance certificates.

Appointment, resignation and removal of auditors; rights, duties and liabilities of auditors; powers of the Central Government to direct special audit; cost audit.

Profit and dividends — ascertainment of divisible profits; declaration and payment of dividend; transfer of unclaimed dividend to Investor Education and Protection Fund.

8. Sole Selling and Buying Agents

Meaning, appointment and reappointment, removal; powers of Central Government and rules framed for the purpose.

9. Majority Powers and Minority Rights

Law relating to majority powers and minority rights.

Shareholder remedies— actions by shareholders, statutory remedies, personal actions, prevention of oppression and mis-management.

10. Law relating to Co-operatives, Societies and Trusts

Formation, functioning and dissolution.

11. Emerging Issues and Concepts in Company Law.

PAPER 6 : COMPANY SECRETARIAL PRACTICE

Level of knowledge : Expert knowledge.

Objective: To provide expert knowledge and understanding of procedural requirements on various matters relating to company law.

Detailed contents:

1. Incorporations and Conversions of Companies

Procedure for incorporation of private/public limited companies, companies limited by guarantee and unlimited companies and their conversions/reconversions; commencement of business; issue of certificates of incorporation and commencement of business; specimen resolutions.

2. Alterations, Changes and Modifications

Procedure for alterations in Memorandum and Articles of Association of a company i.e. change of name, objects, situation of registered office, share capital, articles of the company; specimen resolutions therefore.

3. Allotment/change in Share Capital and Transfer and Transmission

Procedure for allotment, consolidation/sub-division of shares, conversion of shares into stock/warrants, cancellation of shares, transfer/ transmission of shares, dematerialization of shares, issue of share certificates, forfeiture of shares; checklists and specimen resolutions.

4. Appointments, Removal and Other Changes

Procedures for appointment, reappointment, removal and varying terms of appointment, fixation/revisions of remuneration of directors including managing and whole-time

directors, managers, company secretary, compliance officer, secretary in whole-time practice, auditors, cost auditors, sole selling agents; specimen resolutions.

5. Membership in a Company

Procedure for induction of members, expulsion of a member, variation of members rights; procedure for making application to the Court/Company Law Board; specimen resolutions.

6. Meetings

Calling and conducting meetings of Board, its committees, shareholders and other post-meeting formalities including writing of minutes; specimen notices and resolutions.

7. Preparation of Annual Reports

Balance sheet, profit and loss account/income and expenditure statement, auditor's report, directors report, statement on corporate governance, directors responsibility statement, compliance certificate, chairman's statements.

8. Creation/Modification/Satisfaction of Charges and Registration thereof

Procedure for creation/modification/satisfaction of charges and registration thereof by the Registrar of Companies; specimen resolutions.

9. Public Deposits

Procedure for invitation, acceptance and renewal of deposits, repayment of deposits and payment of interest; specimen resolutions.

10. Inter-corporate Loans, Investments, Guarantee and Security

Procedure for making inter-company loans, investments, giving of guarantees and providing of security; specimen resolutions.

11. Declaration and Payment of Dividend

Procedure for ascertainment, declaration and payment of dividend — interim and final; transfer of unpaid/unclaimed dividend to Investor Education and Protection Fund; specimen resolutions.

12. Maintenance of Statutory Books/registers and Filing of Returns

Maintaining and monitoring of statutory books/registers prescribed under various provisions of the company law and filing of various forms/returns to Registrar of Companies; streamlined procedure for registration of documents; procedure and penalties for delayed filing, etc.

13. Drafting of Company Documents:

- Memorandum of Association, Articles of Association.
- Promoters agreement, allotment letter, contract of appointment of managerial personal, share certificates, debentures/bond certificates, proxies, dividend/interest/redemption warrants, fixed deposit receipts.
- Text of advertisements, statements in lieu of advertisement, application form for deposits.
- Notices of meetings, directors report, directors' responsibility statement.

14. Working and Administration of Company Law.

15. Procedural Requirements with respect to new developments, if any, in Company Law.

PAPER 7 : ECONOMIC, LABOUR AND INDUSTRIAL LAWS

Level of knowledge : Working knowledge

Objective: To provide an understanding of certain economic, labour and industrial legislations which have direct relevance to the functioning of companies.

Detailed contents:

PART A: ECONOMIC LAWS (75 MARKS)

1. Industries Development and Regulation

Objects and definitions — an overview of current Industrial Policy; regulatory mechanism under the Industries (Development and Regulation) Law — registration and licensing of industrial undertakings, government agencies exemption from licensing provisions; substantial expansion; investigation; offences and penalties; miscellaneous provisions

Small scale and ancillary units — policy and procedure for setting up Small Scale Industrial Units; an overview of infrastructure, fiscal and other support schemes for Small Scale Industrial sector.

Setting up unites in Free Trade Zones and 100 per cent Export Oriented Units — policy and procedure.

Procedure for obtaining industrial licenses — substantial expansion, manufacture of new products, change of allocation, etc; exemption from industrial licensing — role of various government agencies in matters relating to industrial licensing, investigation; offences and penalties

2. Restrictive and Anti-competitive Practices and Procedures

Objects and definitions; regulation over concentration of economic power study of the provisions relating to restrictive, unfair and monopolistic trade practices; nature and scope of the powers of the Monopolies and Restrictive Trade Practices Commission and other authorities under the Monopolies and Restrictive Trade Practices Law.

Procedure for registration of agreements relating to certain trade practices; procedure for investigation/inquiry by the Monopolies and Restrictive Trade Practices Commissions and other authorities in relation to restrictive, unfair and monopolistic trade practices and consumer protection.

Procedure and practice relating to appearance before Monopolies and Restrictive Trade Practices Commission

3. Regulation and Managements Of Foreign Exchange

Objectives and definitions under Foreign Exchange Management Act, dealings in foreign exchange, holding of foreign exchange etc, current account transactions, capital account transitions, export of goods and services, realizations and repatriation of foreign exchange, exemptions, authorised person, penalties and enforcement, compounding of offences, Directorate of Enforcement, Appellate Tribunal, etc.

Procedure relating to various foreign exchange transactions as enumerated in Exchange Control Manual.

4. Management and Regulation of Foreign Contributions and Hospitality

Offences by companies, adjudication and appeals.

5. Money Laundering

Genesis, concept and definitions, various transactions, etc. obligations of banks and financial institutions.

6. Consumer Protection and Corporate Responsibility

Genesis of the law; objects and definitions; rights of consumers under the Consumer Protection Act; nature and scope of remedies.

Consumer protection— appearance before Consumer Dispute Redressal Forums.

7. Pollution Control and Environmental Protection

Concept of sustainable development, Government policy regarding environment, salient features of the Air (Prevention and Control of Pollution) Law, Water and Environment (Protection) Law — Various Boards and their functions and powers; duties of occupier of specified industries to ensure adherence to standards; offences by companies.

Legal and regulatory framework, procedures for obtaining various environment clearances; role and function of Environment Tribunal/Authority; appearance before Environment Tribunal/Authority; environment audit.

8. Intellectual Property Laws

An overview of law and procedure relating to patents, trade marks and copy rights, etc.

9. Other economic legislation as may be specified by the Council from time to time by notification in the journal.

PART B: LABOUR AND INDUSTRIAL LAWS (25 MARKS)

10. An Overview of Law relating to — factories; industrial disputes/relations; contract labour (regulation and abolition); employees' State insurance; employees; provident funds; payment of bonus; workmen's compensation; recruitment and related aspects; payment of wages; gratuity and trade unions

PAPER 8 — SECURITIES LAWS AND REGULATION OF FINANCIAL MARKETS

Level of knowledge : Expert knowledge.

Objective: To provide conceptual understanding and in-depth knowledge of securities laws and the regulatory framework concerning financial markets in India.

Detailed contents:

1. An Overview of Financial System

Constituents of financial system; significance, development and growth of financial and capital markets in India; financial reforms and present scenario, regulatory authorities governing financial and capital markets.

2. Capital Market

An introduction, meaning and significance of capital market; capital market *vis-a-vis* money market; market players — investors and companies; securities laws/regulatory framework governing Indian Capital Market; an overview of international capital market.

3. Securities and Exchange Board of India

Role and powers

4. Financial Instruments

Capital market instruments — equity, debentures,

preference shares, sweat equity shares, non-voting shares; new instruments of capital market— pure, hybrid and derivatives; money market instruments — treasury bills, commercial bills; certificate of deposits; new money market instrument.

5. Primary Market

Meaning, significance and scope; developments in primary market; various agencies and institutions involved in primary market; role of intermediaries — merchant bankers, registrars, underwriters, bankers to issue, portfolio managers, debenture-trustees, etc — their rules, regulations and code of conduct framed by Securities and Exchange Board of India.

6. Issue of Capital

Securities and Exchange Board of India Guidelines for Disclosure and Investor Protection, detailed procedure for issue of various types of shares and debentures including prospectus requirement and book building.

7. Secondary Market

Meaning, significance, functions and scope of secondary market; secondary market intermediaries — stock brokers, sub-brokers, advisors, their rules, regulation and code of conduct framed by Securities and Exchange Board of India.

8. Secondary Market Institutions

Stock exchanges, function and significance of stock exchanges, their regulatory framework and control; Operations of stock exchanges; classification and listing of securities; market makers; futures and options.

9. Credit Rating and Evaluation of Risk

Concept, scope and significance; benefit to investors; regulatory framework; credit rating agencies in India, their process; rating methodologies for various instruments; evaluation of risk.

10. Mutual Funds

Introduction, definitions, types, risks involved, performance evolution and Securities and Exchange Board of

India regulations for mutual funds.

11. Non-banking Finance Companies

Formation and regulation of Non banking Financial Companies.

12. Depositories

An analysis of the Depositories Act, constitution, role and function of depository participants, issuers and registrars.

13. Instruments issued outside India

Foreign Currency Convertible Debentures, Global Depository Receipts, American Depository Receipts, External Commercial Borrowing, etc.— their characteristics, advantages and disadvantages, procedure for issues of various instruments and their cost.

14. Regulation of Money Market

Growth of money market in India, its structure and institutional development; new money market instruments and framework of markets — call money market, short-term deposit market, treasury bill market, gift edged securities market, regulatory authorities and regulation/guidelines governing money market.

15. Investor Protection

Meaning and significance of investor protection, regulatory measures to promote investor confidence.

16. Contemporary Issues and Developments

PART III

Syllabus for Final Examination

GROUP I

PAPER 1 : ADVANCED COMPANY LAW AND PRACTICE

Level of knowledge: Expert knowledge.

Objective: To provide an in-depth understanding of making application and petitions to and appearance before Company Law Board, Central Government and Court and to provide advanced Knowledge of company law with background off international dimensions thereof.

Detailed contents:

1. Petitions, Applications and Appearances before Company Law Board

Procedure for making and filing petitions, application and making appearance before Company Law Board as well as matters related thereto including specimen petitions, applications and resolutions.

2. Applications to the Central Government

Procedure for making various applications to the Central Government.

3. Petitions to the Court

Making and filing petitions to the Court for reduction of capital, variation of shareholders' rights and other matters.

4. Inspection and Investigation .

Inspection of documents, books of account, registers etc; power of the Registrar of Companies to call for information; investigation of the affairs of the company, powers of the inspector, seizure of books and documents, inspector's report.

5. Corporate Collapse

Winding up concept; necessity and types of winding up; organizational set up of administrative machinery for winding up; winding up process; role of liquidators, consequences of winding up and winding up of unregistered companies; law of corporate insolvency and process in United Kingdom and United States of America.

6. Receivers and Managers

Appointment and role of receivers and managers.

7. Choosing the Appropriate Form

Choice of form of business entity; conversion of one form of business entity into another; registration of part IX companies; formation of unlimited companies; setting up of subsidiaries in India and abroad.

8. Buy-back of Shares

Detailed procedure and practice for buy-back of Shares covering Government and Securities and Exchange Board of India Guidelines.

9. Insider Trading

Concept, rationale behind prohibition; Securities and Exchange Board of India's anti insider trading regulations and major actions taken by Securities and Exchange Board of India so far.

10. Investor Relations

The art and craft of investors' relations; rules of disclosure and developing of corporate disclosure policy; shareholder relations; due diligence.

11. Contemporary Practices and Emerging Perspective on Corporate Governance

Corporate management structure for corporate governance; decision making by boards, board objectives and strategies, responsibilities of board and their informational requirements; building responsive board; issues and challenges; performance evaluation of board; board committees and their functioning including in particular audit and legal compliances committees.

12. Reports of Various Committees on Corporate Governance

13. International Dimensions of Company Law

- The extension of corporate activity beyond national frontiers.
- Shareholders' democracy: protection of shareholders against oppression and mismanagement, globally

changing profile of corporate ownership.

- Growth and regulation of multinationals and transnationals — classification and legal structure, relationships between multinationals and host states, multinationals and international legal personality.
- Distinguishing features of company law in various countries, specifically, United Kingdom, United States of America, Japan, Australia, Canada and company law in European Union.

14. Other Emerging and Contemporary Issues and Practices in Company Law.

PAPER 2: SECRETARIAL PRACTICE RELATING TO ECONOMIC LAWS AND DRAFTING & CONVEYANCING

Level of knowledge: Expert knowledge

Objectives:

- (i) To provide thorough understanding of the procedural requirements in regard to certain economic legislations.
- (ii) To acquaint the students with fundamentals of effective drafting and conveyancing techniques.

Detailed contents:

PART A: SECRETARIAL PRACTICE RELATING TO ECONOMIC LAWS (50 MARKS)

1. Industrial Policy and Development

Procedure for obtaining industrial licences — substantial expansion, manufacture of new products, change of location, etc.; exemption from industrial licensing — conditions to be fulfilled; role of various government agencies in matters relating to industrial licensing, investigation; offences and penalties.

Small scale and ancillary units — policy and procedure for setting up small scale industrial units; an overview of infrastructure, fiscal and other support schemes for small scale industrial sector.

Setting up units in Free Trade Zones and 100 per cent Export Oriented Units – policy and procedure.

2. Foreign Exchange Management and Regulation

Procedure for issue and transfer of shares; debentures, etc. to non-residents, payment of dividends/interest to non-residents; procedure for obtaining clearances for foreign collaboration and matters connected therewith; setting up of offices and branches abroad, business visits abroad by executives and directors; regulations concerning export of goods; opening and operating of different non-resident accounts; procedure for acquisition of property outside India, adjudication and appeals under Foreign Exchange Management Act, appearance before Foreign Exchange Appellate Board.

3. Competition Law and Procedure

Procedure for registration of agreements relating to certain trade practices; procedure for investigation/inquiry by the Monopolies and Restrictive Trade Practices Commission and other authorities in relation to restrictive, unfair and monopolistic trade practices; globalization of market and consumer protection.

Procedure and practice relating to appearance before Monopolies and Restrictive Trade Practices Commission.

Consumer protection — appearance before Consumer Dispute Redressal forums.

4. Laws relating to Infrastructure Development

An overview of the infrastructure development since the introduction of New Industrial Policy, 1991, i.e., power telecommunication, ports and roads; Government policy, legislation and authorities. The legal framework will include — laws relating to power, ports. National Telecommunication Policy and Telecom Regulatory Authority, Electricity Regulatory Commission (Central & State) and National Highway Authority, etc.

5. Environmental Policy and Legislations

Concept, sustainable development, Government policy, legal and regulatory framework, procedures for obtaining various environment clearances; role and functions of Environment Tribunal/Authority; appearance before Environment Tribunal/Authority; environment audit.

PART B: DRAFTING AND CONVEYANCING (50 MARKS)

6. General Principles of Drafting

Rules for drafting; use of appropriate words and expressions; aids to clarity and accuracy, legal implications and requirements.

7. General Principles of Conveyancing

Meaning; basic requirements of deeds of transfer—description of deed, parties, recitals, *testatum*, consideration, operative, words, exceptions and reservations, *habendum*, *testimonium*, signature and attestation, endorsement and supplemental deeds.

8. Drafting of Orders

Appointment orders, suspension orders, order of dismissal and discharge, charge sheets, apprenticeship agreements.

9. Drafting of Contracts

Agreements to sell/purchase, dealership contracts; building contracts; agency contracts; collaboration agreements; arbitration agreements; guarantees— counter guarantees, fidelity, performance guarantee, bank guarantee, hypothecation agreement.

10. Award and Report

Award of arbitrator(s); inquiry and investigation reports; miscellaneous reports.

11. Deeds of Sale of Land, Building, etc.

Contract of sale of goods and merchandise; sale of immovable property; sale by liquidator of a company in voluntary liquidation; sale by an Administration under orders

of the Court; sale of business and assignment of goodwill.

12. Deeds of Mortgages and Charges

Different types of mortgage deeds, deeds of further charge on mortgaged property; mortgage by deposits of title deeds; deeds of floating charge; deeds of appointment of receiver; other charges.

13. Deeds of Pledge

Memorandum of pledge of movables.

14. Licence and Lease Deeds

Sub-lease, lease by way of renewal, surrender of lease, deed altering covenants in lease, deed altering covenants in lease, transfer of lease, deed of licence; leases of premises and plant and machinery.

15. Deeds for Hire-purchase of Machinery, Plant and Other Chattels

16. Trust Deeds

General; debenture trust deeds; declaration and revocation of trust; trust deeds constituting provident fund, superannuation fund, pension fund, etc.

17. Deed of Exchange and Gift Deeds

18. Deed of Assignment

Business debts, shares in a company, policies in insurance, patents, trade marks, copyright, business and goodwill and other rights and interests.

19. Partnership Deeds

Deed of partnership for setting up a new business; introduction of new partners; dissolution of partnership firm; purchase of business by a partner.

20. Deeds of Power of Attorney

Revocable, irrevocable, general and particular letters of authority.

21. Drafting of Other Documents, Petitions and

Applications:

- Drafting of applications and petitions to public financial institutions, appellate authorities under taxation and other corporate legislations.
- Appeals, writ petitions, special leave petition, revision and review applications, affidavits.

PAPER 3: SECRETARIAL, MANAGEMENT AND SYSTEMS AUDIT

Level of knowledge: Expert knowledge

Objective: To develop skills of high order so as to provide thorough knowledge and insight into the role of company secretaries in rendering effective corporate advisory services and conducting secretarial/securities audit, management audit and system audit.

Detailed contents:**PART A: SECRETARIAL AUDIT(40 MARKS)****1. Company Secretary in Practice**

Company secretary in practice; various recognitions and areas of practice; advisory services rendered; concept of self regulatory administration by exception; challenges before the profession; professional standard and code of conduct.

2. Areas of Practice

Existing areas of practice for company secretaries; exploring new horizons and carving fresh niches.

3. Setting up of Professional Practice**4. Secretarial Audit and Auditors**

Need, objective and scope of secretarial audit, secretarial audit process, periodicity and format for secretarial audit report, appointment, duties and powers of secretarial auditor; check-list/work-sheet for secretarial audit under various corporate laws and covenants of loan agreements entered into with financial institutions.

5. Certification, Due Diligence and Signing

Meaning and scope of certification; due diligence and signing of various documents under corporate and securities laws including signing of declaration with respect to incorporation of company and commencement of business; signing of annual returns; certification under buy-back of securities rules certifications on the occasion of transfer of deeds.

6. Pre-certification of Documents

Rationale, pre-certification of documents required to be filed with the Register of Companies, Securities & Exchange Board of India and other administrative authorities.

7. Search/Status Reports

Preparation of search and status reports from Register of Companies records for banks and financial institutions; scope and importance; verification of documents relating to charges; requirements of various financial institutions and other corporate lenders.

8. Securities Audit

Meaning, need and scope; ensuring proper compliance of provisions relating to issue and transfer of securities; providing mechanism for self-regulation by companies and instilling professional discipline; relieving the company and its directors from the consequences of unintended compliance by timely corrective action; preventing fraudulent and unfair trade practices including Securities and Exchange Board of India regulations framed thereon; protecting the interest of investors.

9. Due Diligence of Pre-capital Issue Work

Appraisal of documents relating to issues of capital viz., prospectus, letter of offer and other documents be filed with Securities and Exchange Board of India, Registrar of Companies, stock exchange and other authorities; ensuring compliance of listing formalities and other requirements.

10. Due Diligence of Post-capital Issue Work

Approval of post capital issue compliances including

dispatch of refund orders/certificates etc. to investor; filing compliance certificates with Securities and Exchange Board of India and other authorities; ensuring compliances of listing guidelines.

11. Share Transfer Audit

Need and scope, appraisal of share transfer work, maintenance of Registers of members and debenture holders, processing dividend/interest warrants, certification of securities transfer in compliance with listing agreement with stock exchanges.

12. Internal Audit of Depository Participants

Logistics of depository system; role of depository participants; agreements to which depository participant is a party; scrutiny and records maintained by participants; audit of branches of depository; check-list for carrying out internal audit.

13. Compliance Certificate

Concept and need, appraisal of secretarial compliances, specimen compliance certificate.

PART B — MANAGEMENT AUDIT (40 MARKS)

14. Management Audit

Meaning, nature and scope; principles and fundamentals of management audit; appraisal of management methods and performance; organizational needs for management audit.

15. Operational Audit

Meaning, nature purpose and scope; business control and operational auditor; relation with internal audit, management audit and financial audit; procedural steps in operational audit.

16. Internal Audit

Forms of audit — propriety audit, compliance audit and efficiency audit; internal audit and statutory audit; nature scope and techniques of internal audit; functions and responsibilities of internal auditors; organizational status of internal auditing function.

17. Internal Control

Nature, scope and elements; internal control distinguished from internal check and internal audit; techniques of internal control system, flow charts, internal control questionnaires; steps for internal control and audit evaluation; audit testing — need for sampling and various approaches to statistical sampling; inter-firm comparisons — ratio and trend analysis; audit in depth.

18. Review of Internal Control

Review of purchasing operations; review of efficacy of management information system; review of selling and distribution policies and programmes; review of manufacturing operations; review of personnel policies; appraisal of management decisions.

19. Cost Audit

Nature, objective and scope; cost audit distinguished from financial audit and management audit; cost audit as an aid to management, shareholders, and other external agencies and public; cost record rules; Cost Audit (Report) Rules; cost audit report.

PART C: SYSTEMS AUDIT (20 MARKS)

20. Systems Audit

Nature, significance and scope of systems audit; steps involved in conducting systems audit; systems audit and management functions; systems audit of computerized secretarial functions; norms and procedures for computerization, computers control and security; testing of computer systems — documentation standards, policies and procedures, audit approach.

GROUP II

PAPER 4: FINANCIAL TREASURY AND FOREX MANAGEMENT

Level of knowledge: Expert knowledge.

Objectives:

(i) To provide conceptual clarity about the management tools and techniques used in financial planning, analysis, control and decision making.

(ii) To provide knowledge of derivatives, forex and treasury management to enable the candidates to tackle practical situation with ease.

Detailed contents:**1. Nature and Scope of Financial Management**

Nature, significance, objective and scope of financial management; risk-return and value of the firm; financial distress and insolvency; financial sector reforms and their impact on financial management; functions of finance executive in an organization; financial management — recent developments

2. Capital Budgeting Decisions

Planning and control of capital expenditure; capital budgeting process; techniques of capital budgeting — discounted and non-discounted cash flow methods, choice of methods; capital rationing; risk evaluation and sensitivity analysis, simulation for risk evaluation; linear programming and capital budgeting decisions.

3. Capital Structure Decisions

Meaning and significance of capital structure; capital structure *vis-a-vis* financial structure; capital structure planning and designing; optimal capital structure; determinants of capital structure; capital structure and valuation — theoretical analysis; earnings before interest and taxes – earnings per share analysis; cost of capital; factors affecting cost of capital, marginal cost of capital; risk and leverage; measures of leverage, leverage effects on shareholders returns.

4. Sources of Company Finance

Equity, non-voting preference shares; debentures and bonds; company deposits; terms loans from financial institutions and banks; international finance and syndication of loans; euro-issues and external commercial borrowings; internal funds as a source of finance; dividend policy and retention of profits; bonus shares; deferred payment arrangements; corporate taxation and its impact on corporate financing; financing cost escalation.

5. Dividend Policy

Introduction; types, determinates and constraints of dividend policy; different dividend theories — Walter's Model, Gordon's Model and Modigliani –Miller Hypothesis of dividend irrelevance, forms of dividend policy — practical considerations and legal constraints; corporate dividend practices in India; statutory framework.

6. Working Capital Management and Control

Working capital — meaning, types, determinates assessment of working capital requirements — operating cycle concept and application of quantitative techniques; management of working capital — cash, receivables, inventories; financing of working capital; banking norms and macro aspects of working capital management.

7. Security Analysis and Portfolio Management

Security analysis — fundamental approach, technical approach, and efficient capital market theory; portfolio management — meaning, objective; portfolio theory — traditional approach; modern approach — Capital Assets Pricing Model.

8. Financial Services

Meaning, significance and scope of financial services; types of financial services — merchant banking, leasing and hire purchase, venture capital, mutual funds, factoring and forfeiting, securitization of debt, loan syndication, custodial and corporate advisory services, credit rating; present status of financial services industry in India

9. Project Planning and Control

Project Planning and preparation of project report; project

appraisal under normal, inflationary and deflationary conditions; project appraisal by financial institutions — lending policies and appraisal norms by financial institutions; Industrial Development Bank of India, Industrial Financial Corporation of India, Industrial Credit and Investment Corporation of India, etc; loan documentation and loan syndication, project review and control; social cost and benefits analysis of project.

10. Derivatives

Concept of derivatives; financial derivatives and commodity derivatives; types of derivatives — forward contracts, futures contracts, options; participants in futures and options market, stock index futures; derivative markets in India

11. Treasury Management

Meaning, objectives, significance, functions and scope of treasury management; relationship between treasury management and financial management; role and responsibilities of chief finance executive; tools of treasury management; internal treasury controls; environment for treasury management, present status of treasury management in India.

12. Forex Management

Nature, significance and scope of forex management; forex manager; foreign exchange market; foreign exchange rates; determinates of foreign exchange rates; exchange rate quotes; types of exchange rates; forex trading; foreign exchange risk exposures and their management; exchange rate forecasting present status of foreign exchange market in India

13. Recent Development in Financial, Treasury and Forex Management

14. Case Studies.

PAPER 5: CORPORATE RESTRUCTURING — LAW AND PRACTICE

Level of knowledge: Expert knowledge.

Objectives: To provide and in-depth understanding of all

aspects and intricacies of law and practical issues affecting and arising out of corporate restructuring.

Detailed contents:

1. Introduction

Meaning of corporate restructuring, need scope and modes of restructuring, historical background, global scenario, national scenario.

2. Strategies

Strategic panning, competitive advantage and core competence, strategy formulation, routes for executing strategy — start up, mergers, acquisitions, takeovers, disinvestments and strategic alliances.

3. Mergers and Amalgamations

Concept, need and reasons, legal aspects, procedural aspects relating to commencing of meetings and presentation of petition including documentation; economic aspects including effect on the interest of small investors; accounting aspects, financial aspects including valuation of shares, taxation aspects, stamp duty and allied matters, filing of various forms.

4. Takeovers

Meaning and concept, types of takeovers, legal aspects— Securities and Exchange Board of India takeover regulations, procedural aspects, taxation aspects, stamp duty and allied matters, payment of consideration, bail out takeovers, takeover of sick units.

5. Revival and Restructuring of Sick Companies

The problem of sick industries and their revival with special reference to the law relating to sick industrial companies.

6. Funding of Mergers and Takeovers

Financial alternatives, merits and demerits, funding through various types of financial instruments including preference shares, non-voting shares, buy-back of shares, hybrids, options and securities with different rights, employer

stock options and securities with differential rights, takeover finance external commercial borrowings funding through financial institutions and banks, rehabilitation finance, management buyouts.

7. Valuation of Shares and Business

Introduction, need and purpose; factors influencing valuation; methods of valuation.

8. Corporate Demergers/Splits and Divisions

Difference between demerger and reconstruction; modes of demerger — by agreement, by voluntary winding up; tax aspects, tax reliefs, Indian scenario, reverse mergers.

9. Post Merger Re-organisation

Accomplishment of objectives — criteria of success, profitability, gains to shareholders; post merger valuation; measuring post merger efficiency; factors in post merger reorganization.

10. Financial Restructuring

Buy-back of shares — concept and necessity; Securities and Exchange Board of India guidelines; government's guidelines, procedures and practice for buy-back of shares.

11. Alliances

Integrating alliances into corporate strategy; preparing for alliance, cross cultural alliances; implementing and managing the alliances.

12. Legal Documentation

13. Case Studies.

PAPER 6: BANKING AND INSURANCE – LAW AND PRACTICE

Level of knowledge: Working knowledge

Objective: To provide good understanding of the role and working of banking, insurance and risk management.

Detailed contents:

Part A: BANKING – LAW AND PRACTICE (50 MARKS)

1. **Introduction to banking** – historical perspective; emergence and importance of commercial banking; an overview of development in banking since independence.
2. **Relationship between banker and customer** – legal framework – corporate banking, loan documentation.
3. **Law and procedure governing banking instruments** — cheque, bill of exchange, letter of credit, etc.
4. **Management of assets** – liabilities in commercial bank
5. **Lending policies** – risk and profitability planning
6. **Development banking** — development banking as distinguished from commercial banking; growth of development banking; role of development banks in economic development.
7. Reserve Bank of India and its control on commercial banks; impact of Reserve Bank of India's policies on operations of commercial banks; National Bank for Agriculture Reconstruction and Development, National Housing Bank.
8. Law relating to Banking Regulation; bankers' book evidence; recovery of debts due to banks and financial institutions.
9. **Banking sector reforms in India** – an overview; cooperative banks; nationalised banks; private sector banks; international banking — foreign banks, off-shore banking; recent development in banking sector.

PART B: INSURANCE – LAW AND PRACTICE (50 MARKS)

10. Definition of risk and uncertainty; classification of risk; sources of risk — external and internal.
11. **Insurance** — meaning, nature and significance; essential requirements and principles of risk insurance; re-insurance; nationalisation of insurance business in India; Insurance Regulatory Development Authority Act.
12. **Life Insurance** – law relating to Life Insurance; general principles of life insurance contract; proposals and policy;

assignment and nomination; title and claims; concept of trusts in life policy; Life Insurance Corporation – role and functions.

13. General Insurance — law relating to general insurance; different types of general insurance; general insurance and life insurance; nature of fire insurance; various types of fire policy; subrogation; double insurance; contribution; proximate cause; claims and recovery.

14. Accident and motor insurance — nature, disclosure, terms and conditions; claims and recovery; third party insurance; compulsory motor vehicle insurance; accident insurance.

15. Deposit and credit insurance — nature, terms and conditions, claim, recovery, etc; public liability insurance; emergency risk insurance.

16. Structure, power and function of General Insurance Corporation of India; Deposit Insurance and Credit Guarantee Corporation; Claims Tribunal.

17. Marine Insurance — law relating to marine insurance; scope and nature; types of policy; insurable interest; disclosure and representation; insured perils; proximity cause; voyage; warranties; measurement of subrogation; contribution; under insurance.

18. Risk management — nature, risk analysis, planning, control and transfer of risk; administration of company's properties and provision of adequate security arrangements.

19. Insurance surveyorship — appointment, legal provisions and licencing, functions.

20. Company Secretary *vis-a-vis* insurance and risk management, recent developments in the insurance sector.

GROUP III

PAPER 7: WORLD TRADE ORGANISATION – INTERNATIONAL TRADE, JOINT VENTURES AND FOREIGN COLLABORATIONS

Level of knowledge: Expert knowledge

Objective: To provide specialized knowledge in international trade, particularly in context of World Trade Organisation.

Added emphasis shall be laid on the intellectual property, foreign collaboration and joint ventures including international commercial arbitration to enable the candidates to discharge efficient services and to tackle practical situations.

Detailed contents:

1. International Trade and Trading Blocks

Theory and policy, institutionalisation of international trade, pre-General Agreement on Tariff and Trade (GATT) scenario, General Agreement on Tariff and Trade and international trade, establishment of World Trade Organisation; other international trade organizations including regional economic blocks – Association of Southeast Asian Nations, South Asian Association for Regional Cooperation/South Asian Preferential Trading Area, North American Free Trade Agreement, European Communities, etc.

2. World Trade Organisation (WTO)

Basic principles of WTO and GATT; their functions and areas of operations, various agreements under WTO.

3. Anti-dumping Duties

WTO provisions on anti-dumping; anti-dumping laws — anti-dumping duties, regulatory framework, procedure and developments therein.

4. Subsidies and Countervailing Duties

WTO provisions on subsidies and countervailing duties, administration of countervailing duties, procedure for countervailing duties and emerging trends.

5. Competition Law and International Trade

Interface between trade and competition, international aspects of competition policy, competition and consumer protection, regulation of anti-competition activities, multinational corporations and competition in international trade.

6. Intellectual Property

Concept and objectives; various provisions of Trade

Related Aspects of Intellectual Property Rights agreement — intellectual property system in India; law and procedure relating to patents, trade marks, copyright, designs etc. international conventions relating to intellectual property.

7. Foreign Collaborations and Joint Ventures

Industry Policy and Foreign Direct Investment; kinds of collaboration and joint ventures, negotiating foreign collaboration/joint venture; drafting of agreement, restrictive clauses in the foreign collaboration/joint venture agreements; Indian joint ventures abroad.

8. Export-Import Policy and Procedures

Main features, framework; export-import performance of the country; Standard input-output and value addition norms, export promotion schemes, Special Economic Zones, Export Oriented Units/Export Processing Zone, Electronic Hardware Technology Park and Software Technology Park, deemed export, export houses, trading houses, etc; export promotion councils/organizations, etc., export procedures and documentation; imports, free importability, actual user condition, second hand goods, import of gifts, import on export basis, import of used machinery/equipment etc.

Procedure for customs clearance, warehousing, green channel for import clearance of goods, canalised imports, etc.

9. Settlement of Disputes under World Trade Organisation

Dispute settlement under World Trade Organisation — rules, regulations and procedures relating to settlement of disputes under World Trade Organisation.

10. International Commercial Arbitration

International commercial contract and international commercial arbitration, drafting of arbitration agreements, etc. procedure for international commercial arbitration, international arbitration institutions.

Level of knowledge: Expert knowledge

Objectives:

(i) To provide working knowledge of framework of taxation system in India.

(ii) To provide thorough knowledge of various concepts and their application relating to direct tax laws with a view to integrating the relevance of these laws with financial planning and management decisions.

(iii) To provide thorough knowledge of laws and practices of indirect taxes viz. central excise, service tax, customs and central sales tax in all aspects including tax planning and management.

Detailed contents :

**PART A: DIRECT TAXATION – LAW AND PRACTICE
(40 MARKS)**

1. General Framework of Direct Taxation in India

Different direct tax laws and their inter-relationship in the scheme of taxation in India, importance of Income-tax Act and annual Finance Acts.

- Constitutional provisions
- Distribution of taxation power between States and the Central Government.
- Sharing of certain central taxes.

2. Companies under Income-tax Laws

Classification and tax incidence; corporation tax as per Article 366; computation of taxable income and assessment of tax liability considering special provisions relating to companies.

3. Tax Planning

- Concept of tax planning
- Tax planning with reference to setting up of a new business; locational aspects; nature of business; planning for tax holiday benefits, limitations on the tax planning exercise — flexible planning premises;

planning in the context of court rulings and legislative amendments.

- Tax planning with regard to specific management decisions such as make or buy; own, lease or hire etc.
- Tax planning with reference to financial management decisions such as capital structure of a company and tax incidence; tax as a variable in computing cost of capital; tax considerations in dividend policy and bonus shares issues.
- Tax planning in respect of non-resident company assessee.
- Tax planning with respect to corporate reorganisation, i.e. amalgamation, merger, demerger and slump sale.
- Double taxation avoidance agreements; general principles; provisions and tax implications thereof.
- Tax planning with reference to employees remuneration.
- Tax planning vis-a-vis important provisions of wealth-tax and court rulings and legislative amendments pertaining to wealth-tax.

4. Advance Rulings

Authority for advance rulings, its powers and procedure; applicability of advance ruling; application for advance ruling and procedure on receipt of application.

5. Tax Management

Return and procedure for assessment; special procedure for assessment of search cases, liability in special cases; collection and recovery of tax; refunds, appeals and revisions, penalties imposable, offences and prosecution, other miscellaneous provisions.

PART B: INDIRECT TAXATION – LAW AND PRACTICE (60 MARKS)

6. Introduction

Special features of indirect tax levies — all pervasive nature; contribution to Government revenues; instrument of planning, development and fiscal performance; constitutional provisions authorising the levy and collection of duties of central excise, customs and central sales tax.

7. Central Excise Laws

Basis of chargeability of duties of central excise — goods, manufacture, classification and valuation of excisable goods — specific issues and case studies; assessment procedure (including Advance Rulings provisions), exemption, payment, recovery and refunds of duties.

Clearance of excisable goods; clearances and procedures under Self Removal Procedure, including an overview of accounts, records and returns to be maintained/filed.

Small scale units and applicable laws for duty payment purposes.

Set-off of duties — meaning, scheme of set off/input duty relief schemes; concepts under the Value Added Tax.

Central Excise Concessions on exports — provisions and procedures.

Search, Seizure and Investigation provisions; offences and penalty provisions.

Adjudication, Appellate and Revision provisions — law, procedures and practices including appearing before Customs Excise and Gold (Control) Appellate Tribunal by Company Secretary as an authorised representative.

Provisions of law and procedure in respect of settlement of cases.

8. Service Tax

Provisions of law and procedures including its applicability to Company Secretaries in Practice.

9. Customs Laws

Levy of and exemption from custom duties — specific issues and case studies' assessment and payment of duties; recovery and refund of customs duties.

Clearance of imported and exported goods — procedure, including baggage and goods imported or exported by post and stores; provisions relating to coastal goods and vessels carrying coastal goods.

Drawback of customs duties — law and procedure.

Transportation and warehousing — rules and regulations.

Confiscation of goods and conveyances and imposition of penalties; search, seizure and arrest, offences and prosecution provisions.

Adjudication, Appellate and Revision provisions; Settlement of Cases — provisions and procedures.

10. Central Sales-tax Laws

Inter-State sales, sales outside a State and sales in the course of import and export — specific issues and case studies; taxability of inter-depot/inter-branch transfer of goods, concept of consignment tax and sales tax on works contracts; levy and collection of sales tax; adjudication and appeals; offences and penalties.

Goods of special importance — restrictions and conditions in regard to taxation thereof; liability of directors of a private limited company in liquidation.

11. Promissory Estoppel in Fiscal Laws — principles and applicability with reference to indirect taxes.

12. Tax Planning and Management — scope for tax planning and management in central excise, customs and central sales tax with specific reference to important issues in the respective areas.

PAPER 9 – HUMAN RESOURCES MANAGEMENT AND INDUSTRIAL RELATIONS

Level of knowledge: Working knowledge

Objective: To provide thorough knowledge of principles and practice of human resource management and industrial relations necessary for management of business entities.

Detailed contents :

**PART A: HUMAN RESOURCE MANAGEMENT
(50 MARKS)**

1. Introduction to Human Resource Management

Nature, significance, scope and status, concepts; human resource management functions and objectives, professionalisation of human resource management in India; human resource management in changing scenario of business; new directions in human resource management.

2. Structure and Role of Human Resource Management
Human resource inventory; human resource manager, organisations and functions; human resources management development — organisational strategy.

3. Human Resource Planning and Procurement

Meaning, objectives and significance; steps in human resource planning, forecasts — demand analysis; quantitative and qualitative aspects of human resource planning; job analysis and job description, recruitment and selection — process and policies, interviewing; induction and placement; staffing; career planning; succession planning.

4. Human Resource Training and Development

Identification of training needs — qualitative and quantitative; training curriculum planning; choice of training methodologies; training facilities and equipments; in-service training; outside training; re-training; advanced training; designing training programmes; employee counseling; executive development programmes; evaluation of training and development programmes; career planning and career development; promotion, transfer and demotion.

5. Compensation Management

Nature of employee benefits — statutory and customary; wage plans and policies; profit sharing and incentive plans; compensation package and terminal benefits; impact of compensation and employees benefit and organisational effectiveness; employee benefit programmes.

6. Performance appraisal

Nature, objectives, limitations — various methods — personnel records, personnel audit, human resource accounting, job evaluation.

7. Human Resource Organisation

Line and staff relationship, organisation of human resource department, styles, communication — human resource productivity, morale and motivation, creating conducive work environment.

PART B: INDUSTRIAL RELATIONS (50 MARKS)

8. Industrial Relations

Concepts, approaches and organisation, importance, constituents of industrial relations, dimension of industrial relation at work, successful industrial relations programme, industrial discipline, grievances.

9. Anatomy of Industrial Relations

Genesis of industrial conflicts, industrial unrest, industrial disputes — classification, causes, industrial peace, strikes and lock outs.

10. Industrial Relations Policy

Government policies through five year plans, industrial policy revolution, National Commission on Labour and Industrial Relations Policy.

11. Industrial Disputes

Causes, disputes by States and industrial units; prevention; settlement methods — under the law, tripartite

bodies, work committee, conciliation, labour court, tribunal and national tribunal.

12. Collective Bargaining

Concept, main features, principles, contents and coverage; process of negotiation, forms, agreements, industrial democracy, participative management.

13. Dispute Settlement Mechanism

Conciliation, role of conciliator, duties and responsibilities — voluntary and compulsory; arbitration — references, procedure.

14. Industrial Adjudication

Types, principles for reference for adjudication — procedures.

15. Industrial Relations Related Laws

- Trade Unions Act, 1926;
- Industrial Employment (Standing Orders) Act, 1946;
- Industrial Disputes Act, 1947;
- Minimum Wages Act, 1948;
- Payment of Wages Act, 1936;
- Payment of Bonus Act, 1965;
- Factories Act, 1948; and
- Contract Labour (Regulation and Abolition) Act, 1970.

16. Union Negotiations

Meaning, objectives, significance, scope, union-management interaction — contract negotiation, contract administration, informal joint constitution: parallel negotiations.

17. Voluntary Retirement Schemes

Negotiations and implementation.

¹³³**[SCHEDULE D***[Regulation 55C(3)]***SYLLABUS FOR PART I POST MEMBERSHIP DIPLOMA
IN CAPITAL MARKETS AND FINANCIAL SERVICES
EXAMINATION***Overall Objective and Scope:*

The prime object of this Diploma Course is to enable the members to gain acumen, insight and thorough knowledge relating to the various aspects of corporate finance towards effective corporate stewardship and broad-based secretarial practice. The syllabus given below is merely a guideline and need not necessarily be construed to be restricted to the areas listed therein. The candidates are expected to have thorough knowledge of the emerging financial systems, environment of financial services, developments in financial innovations, new issues management, asset based financing, portfolio management services, treasury management, credit rating, corporate advisory services, custodial and forex services, international finance, management of financial services, innovative financial products, investors relations, euro issues, functioning of various financial and capital market institutions, trading, communication and information systems in the domestic as well as world financial markets. The candidates are further expected to have thorough knowledge of the economic trends and investment strategies so as to have an integrated view of the entire framework within which the financial systems operate. Knowledge of the legal and regulatory framework in India and other international financial markets as well as procedural, secretarial and documentation aspects will also form part of this curriculum. The candidates should be fully equipped with the technical and analytical skills in financial planning and decision making. The candidates will also be expected to submit dissertation or project report in the areas in which they have

¹³³ Inserted by Company Secretaries (Amendment) regulations, 1995 Notification no. 710/1(M): 17, Published in Gazette of India, Extra Ordinary, dated 21.2.1995.

practical exposure and that the dissertation or project report should be on practical aspects.

Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English; provided that it shall be competent for the Council to permit subject to such conditions as it may deem fit and after giving sufficient advance information to the candidates, the use of Hindi as a medium of writing any particular paper.

GROUP I – PAPERS (I AND II)

PAPER I

FINANCIAL MANAGEMENT – CONCEPTS, ISSUES AND PRACTICES

Objective and Scope: To provide an in-depth study of the various dimensions of Corporate Financial Management.

Detailed contents:

1. An overview of financial management

Environment of financial management — dynamic and operating, tasks of financial management, goals of financial management, responsibilities for financial managers.

2. Financial forecasting and planning

Funds flow forecast; cash forecast; projected profit and loss account and balance sheet.

3. Capital structuring and raising of funds

Raising funds for projects, modernisation and expansion, revamping and rehabilitation, additional capital expenditure; funds for working capital; structure and cost of capital; drafting of prospectus; compliance of regulations regarding issue of securities, price justification, issue of share capital — equity, preference, rights and bonus; issue of debentures; Securities and Exchange Board of India guidelines; financial intermediaries, underwriting, rating promoters' contribution, creation of trust, creation of debenture redemption fund etc.

Product structure and pricing; Macro Economic Determinants of Share Pricing.

4. Working capital management

Working capital finance from commercial banks; recommendations of various committees; Reserve Bank of India's general guidelines; lead bank and banks in consortium; credit appraisal; permissible bank finance; hypothecation; agreement; drawing power; periodic reporting; periodicity — nature of report — inspection by banks.

5. International financial management

Overview — international tax management — measurement and management of political risk — foreign investment decisions, cost of capital for foreign investments and financial structure, compliance of Foreign Exchange Regulation Act, 1973 and rules made thereunder.

6. Financial management of mergers, amalgamations, takeovers and acquisitions

Purport of Securities and Exchange Board of India's guidelines.

7. Financing – internal and external

Credit policies and collection systems — dividend decision — policies and factors affecting dividend policy, tax and depreciation considerations — bonus shares and stock splits.

8. Project implementation and monitoring

Approval of project by financial institutions — licensing and reservations under new industrial policy, norms of all India financial institutions, other statutory clearances including environmental clearance, steps prior to and post sanction by financial institutions — signing of loan agreements, compliance reports during implementation, revision of project estimates and supplementary loan, if any, tax concessions available — including concessions for 100% export oriented units.

9. Rehabilitation of sick industries

Obligations under the Sick Industrial Companies (Special Provisions) Act, 1985 — definition of sick company — role of Board of Industrial and Financial Reconstruction (BIFR) — role of operating agencies — nature of recommendations by

operating agencies, representation by interested parties — concessions for rehabilitation, management of industrial sickness — signals of sickness, special provisions for non-resident Indian (NRI) investment in sick industries, benefits of Income-tax for amalgamation of sick industries etc.

PAPER II

FINANCIAL SERVICES, FINANCIAL MARKETS AND FINANCIAL PRODUCTS

Objective and Scope :To provide a detailed insight into the concepts, issues and practices that govern the effective design and provision of financial services in the target markets.

Detailed Contents :

PART A

Financial Services

Nature and scope of financial services; institutions providing financial services; type of financial services; challenges ahead.

New financial services; venture capital, origin, characteristics, administration of venture capital funds, experience of venture capital in United States of America, United Kingdom, Japan, European Nations, spread of risk, venture capital syndication, tax and legal aspects.

Credit rating service.

Consumer finance, credit cards, strategies involved in financing.

Real estate financing, leasing and hire purchases; insurance; project finance — debt financing; impact of financial services, and corporate capital structure, legal implications; financial services and market environment; analysis of financial services, marketing opportunities.

PART B

Financial Markets

Taxonomy of financial markets; domestic and international flow of funds, Indian money market, its characteristics, organisation, operation and the regulatory mechanisms; the new issue market, stock exchange in India

and the evolution of Over the Counter Exchange of India (OTCEI); Institutional and instrumental innovations; National Stock Exchange of India Ltd.; Stock Holding Corporation of India Ltd., Depository system.

GROUP II – PAPERS (III, IV AND V)

PAPER III

SECURITY EVALUATION AND INVESTMENT MANAGEMENT

Objective and Scope: The objective of this paper is to equip the participants with the techniques of quantitative and qualitative assessment of various financial instruments and their integration into the investment strategies for meeting the desired objectives.

Detailed Contents:

PART A

Security Evaluation

Characterisation of financial aspects as an investment medium; nature of security evaluation; investment alternatives, debt, equity, hybrids, futures, options, etc.; risk return trade-offs; sources of financial information in India; approaches to security evaluation, fundamental/EIC analysis; technical analysis; security evaluation in efficient capital market; asset pricing theories; public sector — disinvestment of shares and pricing of the same; advancements in computation; communication and legal environment of security analysis.

PART B

Investment Management

Principles of sound investment management, managing risk return trade offs; the concept of diversification and its applicability in investment management; security portfolios, contributions of Markowitz and Sharpe, subsequent developments (an overview), investment counseling and client servicing; investor protection.

PAPER IV

PORTFOLIO MANAGEMENT AND MUTUAL FUNDS

Objective and Scope: To provide expert knowledge on functioning of Portfolio Management and Mutual Funds.

Detailed Contents:

PART A

Portfolio Management

An overview of traditional theory, objectives of portfolio management, principles and practice of portfolio management, techniques involved in portfolio management, efficient market theory, modern theory, capital assets pricing model (CAPM), institutional practices of portfolio management, behaviour of stock market prices, investment strategy, arbitrage pricing theory, diversification of portfolio, tax benefits schemes in India.

PART B

Mutual Funds

Meaning of mutual fund, portfolio classifications, types of mutual funds, advantages and disadvantages, floatation of mutual funds, drafting the memorandum and articles of association of asset management company (AMC), collection of funds by mutual funds, operation of mutual fund companies, trust deeds and provisions for investors' protection, custodians of mutual fund, functions and salient features, investment strategies, marketing procedure, legal and accounting aspects, rights and powers of trustees, performance appraisal, mutual funds of Non Resident Indians, regulation of mutual funds.

PAPER V

**INTERNATIONAL FINANCIAL MANAGEMENT –
CONCEPTS, CAPITAL MARKETS AND INSTRUMENTS**

Objective and Scope: To provide a conceptual framework within which the working of international financial institutions, money markets, exchange transactions and capital markets operate.

Detailed Contents:

PART A

General outline in International Financial Management – Concept framework

An overview of international financial management, major issues in international financial management, foreign exchange markets, analysis of overseas Investment, projects, foreign exchange financing, financing and insuring exports, role of Export Import Bank and Export Credit and Guarantee Corporation — barter deals, choice of international currency, international financial institutions — world bank and affiliates, private international financial markets, international investment decisions, international instruments and characteristics, Eurobond market instruments, exchange rate system and theories, exchange risks — insuring against risk, cross border finance, new marketing instruments, money and banking in international markets, procedure of marketing Eurobonds, sources of funds in Eurobond market, accounting and tax treatment of international transactions, foreign currency translation, customer rates in India, LERMS, foreign exchange and money market operations.

PART B

Applied aspects in Institutional Financial Management

Globalisation of capital markets, working of international capital markets (United States of America, United Kingdom, European countries, Asian and Japanese capital markets), investments in foreign securities, international portfolio management; international capital flow, existing and emerging opportunities.]

¹³⁴[SCHEDULE E

[Regulation 55S Course B(3)]

**SYLLABUS FOR PART I POST MEMBERSHIP DIPLOMA
IN CORPORATE GOVERNANCE***Overall Objective and Scope*

To provide expert knowledge to understand, analyse and apply the principles and practices of Good Corporate Governance in real life situations.

The prime objective of this Diploma Course is to enable the members to gain acumen, insight and thorough knowledge relating to the various aspects of corporate governance. The syllabus given below is merely a guidance and need not necessarily be construed to be restricted to the areas listed therein. The candidates are expected to have thorough knowledge of the emerging concepts in corporate governance, new developments, issues at national and international levels. The candidates are further expected to have thorough knowledge of the global trends and developments so as to have an integrated view of the entire framework for corporate governance within which the companies operate. Knowledge of the legal and regulatory framework in India *vis-a-vis* corporate governance as well as procedural, secretarial and documentation aspects will also form part of this curriculum. The candidates should be fully equipped with the technical and analytical skills in corporate governance and decision making. The candidates will also be expected to submit dissertation or project report in the areas in which they have practice exposure and that the dissertation or project report should be on practical aspects.

Each paper will be of three hours duration and will carry 100 marks. The medium of writing the examination will be English. Provided that it shall be competent to the Council to permit the use of Hindi as a medium of writing any particular paper.

¹³⁴ Inserted by the Company Secretaries (Amendment) Regulations, 1988, Notification No. 531: legal:710/1/M/1, Published in Gazette of India, Extraordinary, Part III, Section 4, dated 26.07.2010.

**SYLLABUS FOR POST MEMBERSHIP DIPLOMA IN
CORPORATE GOVERNANCE**

GROUP I – PAPERS (I, II and III)

**PAPER I : CONCEPTUAL FRAMEWORK OF CORPORATE
GOVERNANCE**

Objective and Scope: To provide an in-depth study of the Evolution and Development of Corporate Governance.

Detailed Contents:

Economics of Organization and Information, Theories of the Corporation that have a shaping influence upon Corporate Governance Practices.

Evolution of Corporate Governance — Ancient and Modern Concept.

Concept of Corporate Governance, Generation of Value from Performance.

Principles of Corporate Governance.

Beneficiaries of Corporate Governance; Shareholder Activism and changing role of Institutional Investors.

Business Ethics vis-à-vis Corporate Governance.

Corporate Governance in various organizations.

Corporate Social Responsibilities and good corporate citizenship.

Impact of Information Technology and Non-stop Media Coverage giving unbridled access to company information and violating privacy rights.

Understanding of the shareholder v. stakeholder concept of governance.

PAPER II : CORPORATE AND BOARD MANAGEMENT

Objective and Scope: To provide a detailed insight into the concept, issues and practices that governs the corporate sector.

Detailed Contents:

Corporate Business Ownership Structure.

Board of Directors — Role, Composition, Systems and Procedures.

Fiduciary relationship.

Types of Directors — Promoter/Nominee/Shareholder/Independent.

Rights, Duties and Responsibilities of Directors; Role of Directors and Executives — Responsibility for Leadership, Harmony between Directors and Executives.

Training of Directors — need, objective, methodology.

Scope and Responsibilities and competencies for directors.

Executive Management Process, Executive Remuneration.

Functional Committees of Board.

Rights and Relationship of Shareholders and Other Stakeholders.

Investor servicing and investor protection measures.

Good Secretarial practices and Standards for corporate disclosure.

Models of organizational behaviour and nature of managerial work.

Organisational cultures and controls.

Organisational Planning, Development and change.

Markets, Hierarchies and Networks.

Economics of Strategy; Strategic Management; Overview of Task of Strategic Management.

Theory of Multi-nationals, International Marketing and International Resource Management.

Attacks through hijacking of employees and customers.

Corporation and its Employees.

Customer Asset Management.

Recognition and Management of significant corporate risks; hedge funds (The work-life balance and corporate governance).

Principles of Management Accounting and Audit.

Corporate Planning—Short term and Long term.

Disaster Management and Control.

PAPER III : LEGAL AND REGULATORY FRAMEWORK OF CORPORATE GOVERNANCE

Objective and Scope: To provide knowledge of the legal and regulatory framework in respect of corporate governance in India and abroad.

Detailed Contents:

Need for Legislation of Corporate Governance.

Legislative Provisions of Corporate Governance in Companies Act 1956, Securities (Contracts) and Regulations Act, 1956 (SCRA), Depositories Act 1996, Securities and Exchange Board of India Act 1992, Listing Agreement, Banking Regulation Act, 1949 and Other Corporate Laws.

Legal Provisions relating to Investor Protection.

Legislative Framework of Corporate Governance in US, UK and other developed countries including Common Wealth Association for Corporate Governance (CACG), Organization for Economic Cooperation and Development (OECD) etc.

Listing Requirements—Indian and International perspective.

Management Information System (MIS) and Corporate Disclosure Requirements covering Accounting Standards and Secretarial Standards also.

Statutory standards and procedures — National and international.

Securities and Exchange Board of India's (SEBI) Electronic Data Information Filing and Retrieval System (IDIFAR).

GROUP II – PAPERS (IV and V)

PAPER IV : BOARD COMMITTEES AND ROLE OF PROFESSIONALS

Objective and Scope: To provide expert knowledge on the functioning of Board Committees.

Detailed Contents:

Board Committees — Audit Committee, Remuneration Committee, Shareholders' Grievance Committee, other committees.

Need, Functions and Advantages of Committee Management.

Constitution and Scope of Board Committees.

Board Committees' Charter.

Terms of Reference and Accountability and Performance Appraisals.

Attendance and participation in committee meetings.

Independence of Members of Board Committees.

Disclosures in Annual Report; Integrity of Financial Reporting Systems.

Role of Professionals in Board Committees.

Role of Company Secretaries in compliance of Corporate Governance.

PAPER V : CORPORATE GOVERNANCE – CODES AND PRACTICES

Objective and Scope: To provide thorough knowledge of the global trends and developments so as to have an integrated view of the entire framework for corporate governance.

Detailed Contents:

Major Expert Committees' Reports — India (including Naresh Chandra Report) and Abroad.

Study of Codes of Corporate Governance.

Joint Ventures—National and International.

Case Studies on Corporate business ownership structure, Core competency vis-à-vis diversified business, Working of Transnational Corporations, Public v. Private Sector — National and International.

Case Studies on Corporate Governance — Indian and overseas perspective.

Best Practices of Corporate Governance.

Value Creation through Corporate Governance.

Corporate Governance Ratings (Rating mechanism in terms of firm disclosures)].

¹³⁵**[SCHEDULE F**

The Institute of Company Secretaries of India Service Rules,
1979 as amended by the Council from time to time.]

¹³⁵ Inserted by the Company Secretaries (Amendment) Regulations, 2012
Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary,
Part III Section 4 dated 4th June 2012.

136[SCHEDULE G

Syllabus for Part 1 Post Membership Diploma in Competition Law

1. **Overall objective and scope:**
2. **Capacity building of Company Secretaries in the area of legal, procedural and practical aspects of Competition Law and matters related thereto.**
3. **The objectives of the Post Membership Qualification Course in Competition Law are that the members who complete the Post Membership Qualification Course in Competition Law should –**
 - **Appreciate various concepts of competition, economics of Competition including economic theories and policies that influence the aspects of Competition in the market and operation of Competition Law.**
 - **Gain acumen, insight and thorough knowledge of law governing competition in India, and major overseas jurisdictions.**
 - **Understand and appreciate the interface between Competition Commission of India and Sectoral Regulators.**
 - **Understand the Competition Law in practice and in particular procedures involved in various aspects of administration of competition law in India including dealing with Competition Commission of India and Competition Appellate Tribunal.**
 - **Understand and appreciate the importance and structure of Competition Compliance Programme; its effective implementation, monitoring and evaluation.**
 - **Be able to apply the knowledge of Competition Law in commercial context.**
4. **The papers I to IV shall be of three hours duration and shall carry 100 marks each.**

136 Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

5. The medium of writing the examination shall be in English:

Provided that it shall be competent to the Council to permit the use of Hindi as a medium of writing any particular papers.

SYLLABUS FOR PMQ COURSE IN COMPETITION LAW

Part I – Papers (I, II, III and IV)

PAPER I CONCEPTS AND ECONOMICS OF COMPETITION LAW

(100 MARKS)

1. Definition, nature, rationale and objective of Competition and Competition Law; relation between Competition Law and Policy
2. Theory of Competition : Perfect Competition : Benefits of perfect Competition - Allocative Efficiency; Productive Efficiency; Dynamic Efficiency; Harmful Effect of Monopoly;
3. Economies of Scale and Natural Monopolies : Network effects; Two sided markets; Network Effect and Competition Policy; Particular Sectors; Beneficial restriction of Competition; Ethical issues;
4. Market Definition and Market Power : Market definition; Relevant Product Market; Relevant Geographic Market; Market Power, Market Share and Market Concentration;
5. Development of Competition Law in India: History of Competition Law in India including constitutional provisions and reports of relevant Committees;
6. Institutional Framework under Competition Act, 2002 : Competition Commission of India (CCI); Duties, Powers and Functions of Competition Commission; Competition Appellate Tribunal; Powers of Appellate Tribunal; Right to Legal Representation; Appeal to Supreme Court; Powers of Central Government; Extra Territoriality and Effect Doctrine;
7. Interface between Competition Commission with Sectoral Regulators: Competition as underlying principle for regulation; Competition Authority and Sectoral Regulator in select jurisdictions; Regulatory

framework under Competition Act and laws governing sectoral regulators;

8. History of Competition Law and Competition Law in select countries – US, UK, European Union.

**PAPER II ANTI-COMPETITIVE AGREEMENTS AND ABUSE OF DOMINANCE
(100 MARKS)**

Anti-Competitive Agreements

- Definition of agreement; Agreements and Scope thereof; Prohibition on Anti-Competitive Agreements; Per se and Rule of Reason.
- Types of anti-competitive Agreements : Horizontal Agreements including cartels, Presumption in case of certain Horizontal agreements
- Vertical Agreements
- Procedure for Inquiry by Competition Commission of India
- Exceptions- Joint Ventures; Intellectual Property Rights; Export Exemption
- Orders By Competition Commission and Penalties for Contravention
- Leniency Programme for Cartels

Abuse of Dominant Position

- Definition and determination of Dominance
- Abuse of dominance- exclusionary abuses and exploitative abuses;
- Procedure for Inquiry by Competition Commission of India into Abuse of Dominant Position
- Remedies against abuse of dominant position

PAPER III REGULATION OF COMBINATIONS (100 MARKS)

- Definition of Combinations; types of combinations including mergers, acquisitions, amalgamations, acquisition of control
- Jurisdiction of Competition Commission of India
- Jurisdictional Test – Turnover, Asset, domestic nexus, exemptions
- Notification of Combinations
- Procedure for Inquiry into Combinations
- Test of Appreciable Adverse Effect
- Remedies and Orders in case of Combinations

PAPER IV COMPETITION COMPLIANCE PROGRAMME (50 MARKS)

- Objectives and advantages of Competition Compliance Programme
- Components of Competition Compliance Programme for Enterprises
- Compliance Programme for trade associations
- General Guidelines for Devising a Compliance Programme
- Competition Compliance Programmes in UK, USA and European Union
- Implementation of Compliance Programme – Training, Monitoring and Evaluation.

CASE STUDY (50 MARKS)¹³⁷

Anti-Competitive agreements

1. **Ahlstrom Osakeyhtio v. Commission (Wood Pulp) [1993] ECR I-1307, ECJ**
2. **European Commission v. Volkswagen, Case C-74/04 P**
3. **Consten and Grundig v. Commission [1966] ECR 299, ECJ**
4. **Bayer AG v. Commission [2000] ECR II-3383, [2001] 4 CMLR 126**
5. **Stergios Delimitis v. Henninger Brau AG [1991] ECR I-935, ECJ**
6. **Federal Trade Commission v. Indiana Federation of Dentists, 476 U.S. 447 (1986)**
7. **Leegin Creative Leather Products Inc. v. PSKS Inc. 551 U.S. 877 (2007)**
8. **GTE Sylvania Inc. v. Continental TV Inc. 433 U.S. 36 (1977)**
9. **E.I. duPont de Nemours Co. v. FTC 729 F.2d 128 (2d Cir. 1984)**
10. **Tata Engineering and Locomotive Co. Ltd., Bombay Vs. The Registrar of the Restrictive Trade Agreement, New Delhi, AIR 1977 SC 973**
11. **Director General (I & R) v. Universal Cylinders Ltd. RTP enquiry**

Abuse of Dominance

12. **Hoffmann-la Roche and Co. AG v. Commission, Case 85/76, [1979] ECR 461, ECJ; [1979] 3 C.M.L.R. 211.**
13. **Europemballage Corp. v. Commission (Continental Can), Case 6/72, [1973] ECR 215.**

¹ The List is illustrative

14. **United Brands Co. v. Commission, Case 27/76, [1978] ECR 207, ECJ.**
15. **Istituto Chemioterapico Italiano SPA v. Commission (Commercial Solvents), Cases 6, 7/73, [1974] ECR 223, ECJ.**
16. **Radio Telefis Eireann v. Commission (Magill), Cases C-241/91P & C-242/91P, [1995] ECR I-743, ECJ.**
17. **Microsoft Corp. v. Commission, Case T-201/04, [2007] ECR II-1491, CFI.**
18. **Tetra Pak International SA v. Commission (Tetra Pak II), Case C-333/94P, [1996] ECR I-5951, [1997] 4 CMLR 662.**
19. **France Telecom SA v. Commission (Wanadoo), Case T-340/03, [2007] ECR II-00107, CFI.**
20. **Intel Corporation v. Commission, Case COMP/C-3/37.990 - Intel.**
21. **Verizon Communications Inc. v. Law Offices of Curtis V. Trinko, 540 U.S. 398 (2004).**
22. **Northern Pacific Railway Co. v. United States, 356 U.S. 1 (1958)**

Combinations

23. **Boeing / McDonnell Douglas (Case No IV/M.877-97/816/EC)**
24. **Airtours v. Commission, Case T-342/99, [2002] ECR II-2585, CFI.**
25. **Bertelsmann AG v. Commission (Impala) Case C-413/06 P, [2008] ECR I-4951 (10th July 2008), ECJ.**
26. **Tetra Laval BV v. Commission, Cases C-12/03 and C-13/03 P, [2005] ECR I-1113, ECJ.**
27. **General Electric v. Commission, Case T-210/01, [2005] ECR II-5575, CFI.**
28. **Federal Trade Commission v. Staples, Inc Civil No. 97-701 (TFH)**
29. **Hindustan Lever Employees' Union Vs. Hindustan Lever Limited AIR 1995 SC 470**

PART II

100 Hours Training in the manner and areas specified by the Council from time to time."

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Syllabus for Post Membership Course in Corporate Restructuring and Insolvency

1. **Overall objective and scope:**
2. **Capacity building of Professionals in the area of legal, practical and application oriented aspects of corporate restructuring, rescue and insolvency and matters related thereto.**
 - **To enable the candidates to gain acumen, insight and thorough knowledge relating to various aspects of corporate restructuring rescue and insolvency.**
 - **To provide thorough knowledge of the legal and regulatory framework dealing with corporate rescue and insolvency with help of case studies.**
 - **To provide expert knowledge and skill sets in management and administration of restructuring process with the help of case studies.**
 - **To provide thorough insight into legal, procedural and applied aspects of corporate rescue with reference to international best practices.**
 - **To provide knowledge of global trends and practices so as to have an integrated view of the entire framework for corporate restructuring and insolvency.**
 - **To equip the candidates with the technical, analytical and application oriented skills in corporate restructuring and insolvency.**
 - **To provide professional skills to anticipate and provide practical solutions to legal and technical issues involved in restructuring, rescue and insolvency process.**
 - **To enable candidates to understand and fully appreciate the responsibilities and accountability as insolvency practitioner.**
 - **To set standards of ethics and best practices.**
3. **The Papers I to IV shall be of three hours duration and shall carry 100 marks each.**
4. **The medium of writing the examination shall be in English:**

¹³⁸ Inserted by the Company Secretaries (Amendment) Regulations, 2012 Notification No 710/1/(M)/2 published in the Gazette of India, Extra Ordinary, Part III Section 4 dated 4th June 2012.

Provided that it shall be competent to the Council to permit the use of Hindi as a medium of writing any particular paper.

Syllabus for Post Membership Course in Corporate Restructuring and Insolvency

Module A – Papers (I, II, III and IV)

Paper 1 Corporate Restructuring, Rescue and Insolvency

(100 marks)

- **The concept of Corporate Restructuring, Rescue and Insolvency : Concept of Insolvency, historical developments, basic concepts and definitions**
- **Origin of law relating to Corporate Insolvency: History of Bankruptcy Laws in USA, UK and India, Companies Act, 1956, Sick Industrial Companies(Special Provisions) Act, 1985, Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 Companies Bill, 2009 and any other law.**
- **Revival, Rehabilitation and Restructuring of Sick Companies : Sick companies and their revival with special reference to the law and procedure relating to sick companies.**
- **Securitisation and Debt Recovery : Overview of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; process; participants; Special Purpose Vehicle (SPV), Asset Reconstruction Companies (ARCs), Qualified Institutional Buyers (QIB).**
- **Debt Recovery Act: Overview of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993; Tribunal, Procedure; compromise and arrangements with banks and creditors.**
- **Winding up : Concept; modes of winding up; administrative machinery for winding up. Winding up process and procedure; managing stakeholders and parties in liquidation; conducting meetings of shareholders/creditors etc.; dealing with contracts; managing estate; Consequences of winding up; winding up of unregistered companies; dissolution.**

Paper 2 Strategic Options for Corporate Restructuring**(100 marks)**

Changing World and its effect on Restructuring : Globalisation; Dominance of Services economy; technological and communication advancement; Expansion of Financing opportunities and Financial Innovations; Expanding role of professionals

Corporate Restructuring in Challenging Times : Financial Mis-governance; Liquidity Crunch, Sub Prime Crises; Global Recession; Solutions for Business Failures.

Concepts and Strategies : Meaning of corporate restructuring, need, scope and modes of restructuring, historical background, global scenario, national scenario.

Planning, formulation and execution of various corporate restructuring strategies - mergers, acquisitions, takeovers, disinvestments and strategic alliances, demergers and hiving off.

Mergers and Amalgamations : Concept; legal, procedural, economic, accounting, taxation and financial aspects of mergers and amalgamations including stamp duty and allied matters; interest of small investors; merger aspects under competition law; jurisdiction of courts; filing of various forms; Amalgamation of banking companies and procedure related to Government companies; Cross border mergers.

Takeovers : Meaning and concept; types of takeovers; legal aspects - SEBI takeover regulations; procedural, economic, financial, accounting and taxation aspects; stamp duty and allied matters; payment of consideration; bail out takeovers and takeover of sick units; takeover defences; cross border takeovers.

Corporate Demergers and Reverse Mergers : Concept of demerger; modes of demerger - by agreement, under scheme of arrangement; demerger and voluntary winding up; legal and procedural aspects; tax aspects and reliefs; reverse mergers - procedural aspects and tax implications.

Out of Court Restructuring : Corporate Debt Restructuring Mechanism (CDRM), RBI Guidelines for CDRM and other procedural aspects.

Role and Responsibilities of Directors : General fiduciary duties, actions potentially giving rise to liability for directors, Role of Board of Directors under SICA, Companies Act, 1956, Insolvency related liabilities of directors, misconduct in winding up etc., criminal and civil liability of directors.

Funding of Mergers and Takeovers : Financial alternatives; merits and demerits; funding through various types of financial instruments including equity and preference shares, options and securities with differential rights, swaps, stock options; External Commercial Borrowings, funding through financial institutions and banks; rehabilitation finance; management buyouts/leveraged buyouts.

Financial Restructuring: Reduction of capital; reorganisation of share capital, Buy-back of shares – concept and necessity; procedure for buy-back of shares by listed and unlisted companies.

Valuation of Shares and Business : Introduction; need and purpose; factors influencing valuation; methods of valuation of shares; corporate and business valuation.

Post Merger Re-organisation : Factors in post merger reorganization: integration of businesses and operations, financial accounting, taxation, post merger valuation, human and cultural aspects; assessing accomplishment of post merger objectives; measuring post merger efficiency.

Governance Aspects of Restructuring and Insolvency : Domestic and International trends relating to governance practices pertaining to Corporate Restructuring and Insolvency. Shareholder democracy in restructuring process, role of investors, creditors, role of non-executive directors in restructuring process, regulatory compliances including compliances under the Companies, Act, 1956, Securities Exchange Board of India Regulations, Listing Agreement etc. Case studies on governance failures and restructuring. Practical cases in Corporate Restructuring, approaches to prevent liquidation and insolvency;

Paper 3 Cross Border Insolvency Practice and Procedure

(100 Marks)

Cross Border Insolvency; United Nations Commission On International Trade Model Law on Cross Border Insolvency; United Nations Commission On International Trade Legislative

Guide to Insolvency Law; World Bank Principles for Effective Insolvency and Creditor, Rights System; Asian Development Bank Principles of Corporate Rescue and Rehabilitation.

Paper 4 Professional and ethical practices for Insolvency Practitioners

(100 Marks)

Responsibility and Accountability of Insolvency Practitioners : Functions of Insolvency Practitioners; Duties of Insolvency Practitioners; Permissible or not permissible activities, Professional accountability with respect to mandatory requirements and recommendatory requirements, obligation as fiduciaries, responsibility over properties, fair assessment of competing interest of the stakeholders, statutory or investigatory or reporting obligations, independence, integrity and objectivity in business decisions etc.; Code of Conduct and Ethics.

Module B

Compulsory one day Workshop for candidates in the manner and areas as approved by the Council from time to time.]
