



April 23, 2015

CHIEF OF BUSINESS BUREAU

ICSI ISSUES SECRETARIAL STANDARDS APPROVED BY THE CENTRAL GOVERNMENT

ICSI is the pioneer and the only institution in the world so far to have issued secretarial standards

TO BE EFFECTIVE FROM JULY 1, 2015

New Delhi, 23 April 2015: Section 118(10) of the Companies Act, 2013 mandates companies to observe Secretarial Standards with respect to general and Board Meetings specified as such by the Institute of Company Secretaries of India. Secretarial Standards apply to all companies. One Person Companies are excluded.

The Ministry of Corporate Affairs has accorded its approval to the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) specified by the Institute of Company Secretaries of India (ICSI).

The Institute of Company Secretaries of India today formally launched the Secretarial Standards at New Delhi today at the hands of Hon'ble Justice Shri Vibhu Bhakhru, Senior Judge, Delhi High Court.



Hon'ble Justice Sh. Dilip Raosaheb Deshmukh, Chairman Company Law addressing the gathering. **On the Dias (from Left to Right):** CS Vineet Chaudhary, Council Member, The ICSI and Chairman of the Corporate Laws and Governance Committee, CS Pavan K Vijay, Past President, ICSI and Chairman of the Secretarial Standards Board, CS Atul H Mehta, President, ICSI, Hon'ble Justice Shri Vibhu Bhakhru, Senior Judge, Delhi High Court, CS Mamta Binani, Vice-President, ICSI, CS Sutanu Sinha, Chief Executive & Officiating Secretary

While addressing the august gathering, Shri Bakhru, congratulated ICSI as pioneer and only institution to have issued Secretarial Standards in the world so far. He said that Secretarial Standards issued by ICSI is a tool in furtherance of the Secretarial Standards would benefit the industry and the regulators and would help repose more confidence in the institutional investors about the adoption of robust board processes and systems in companies.

Hon'ble Justice Sh. Dilip Raosaheb Deshmukh, Chairman Company Law Board graced the occasion as the guest of honour. He said that, It would definitely result in better corporate accountability and disclosures leading to better value enhancement to stakeholders including shareholder, regulators and international investors.

Shri M. M. Juneja from the Ministry of Corporate Affairs said that in the Secretarial Standards standard practices are articulated, and comprehensively available at one place, adherence to same by the corporate is greatly eased, the stakeholders are clear of what they should expect and what their rights are. The Secretarial Standards would help in ease of doing business, improved governance, confidence building in minds of investors, improved compliance level, ultimately leading to flow of capital in India and achieving the government's objective of make in India

CS Atul H Mehta, President, ICSI expressed his gratitude to the Ministry of Corporate Affairs for according its approval under section 118(10) of the Companies Act, 2013 to the Secretarial Standards (SS) namely, SS:1 Secretarial Standard on Meetings of Board of Directors and SS:2 Secretarial Standard on General Meetings submitted by the Institute of Company Secretaries of India and said that it is a historical moment for the Institute, since, The Institute of Company Secretaries of India is first institution to issue SECRETARIAL STANDARDS anywhere in the world and that will be effective July 1, 2015 around 8 lakh companies in India will have to comply with these Secretarial Standards to be fully compliant under Companies Act 2013.

Secretarial Standards will create enormous confidence in minds of investors particularly fund managers and overseas investors as these investors are very much concerned about good governance practices and sound procedures. Consequently, this will lead to more flow of capital into India, new projects, more modernization and expansion.

CS Pavan K Vijay, Past President, ICSI and Chairman of the Secretarial Standards Board informed that The Secretarial Standards are formulated by the Secretarial Standards Board constituted by the Council of the Institute. It comprises experienced members of the CS profession, the representatives of regulatory bodies such as the Ministry of Corporate Affairs, Securities and Exchange Board of India, Reserve Bank of India, Representatives from Industry Associations and chambers such as CII, FICCI, ASSOCHAM as well as the nominees of sister professional bodies, the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India. The mandate of the Companies Act, 2013 with regard to the Secretarial Standards can be attributed to the fact that the Standards have sufficiently evolved as these are being voluntarily followed by followed companies.

CS Mamta Binani Vice-President, ICSI, while talking about the stakeholders' expectations on the governance issues such as transparency disclosure, timely dissemination of information, uniformity in practices etc., said that Secretarial Standards would act as one of the benchmark in stakeholders' assessment of companies.

CS Vineet Chaudhary, Council member, The ICSI and Chairman of the Corporate Laws and Governance Committee welcomed the Chief Guest, Guest of Honour and others.

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