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Proceedings of the Technical Sessions of CRF-2012 Conference on February 15, 2012 at Hotel The Ashok, New Delhi.

TECHNICAL SESSION 3A : CORPORATE ACTIONS AND REGULATORY MECHANISM



The panelists for technical session 3A were Dr. Navrang Saini, Regional Director, Ministry of Corporate Affairs, India; Mr. Anant Barua, Executive Director, Securities and Exchange Board of India; and Ms. Rokiah Mhd. Noor, Malaysia. Ms. Prabha Chinien, Mauritius was the Moderator.

Mr. Ananta Barua focused on the regulatory framework of Capital Market in India, Depositories, listing agreement, takeover regulations, insider trading etc.

Dr. Navrang Saini highlighted on the regulatory and prosecution mechanism. He also focused on the investigation process in the case of fraud.

Ms. Rokiah Mhd. Noor from Malaysia explained the incorporation process, annual routine functions and filings such as annual return and audit of accounts, winding up process etc.

The session was followed by Question & Answers. On a question that "Can modification be allowed on MCA-21 website, if Company once filed balance sheet ?" Mr. Navrang Saini replied that no modification is allowed once the balance sheet has been filed. If certain changes are to be made on part of regulatory change, then only regulators can make necessary changes. But no revision of balance sheet is allowed.

TECHNICAL SESSION 3B : EMERGING CHALLENGES FOR MNCs OPERATING IN VARIOUS JURISDICTIONS

The panelists for technical session 3B were Mr. Julian Lamb, Jersey Financial Services Commission, Mr. P K Choudhury, Vice Chairman and Group CEO, ICRA Ltd., and Mr. Nesar Ahmad, President, The ICSI. Ms. Juthika Ramanathan, Immediate Past President, CRF was the moderator.

Mr. Julian Lamb, while explaining the role and responsibilities of Jersey Financial Services Commission said that reputation, international standards, flexible laws, ease in listing, tax efficient mechanism, profit distribution etc are the factors that attract MNCs to invest in Jersey.

Mr. P K Choudhary shared his experience regarding setting up of business units in many countries and highlighted the variation in standards and norms, being followed by the different jurisdictions.

Mr. Nesar Ahmad highlighted nine key challenges such as sustainability, money laundering, IPRs, Competition etc. being faced by MNCs and explained possible solutions to these challenges.

Ms. Juthika Ramanathan said that certainty of laws, flexibility of processes, CG issues are very important and that the engagement between regulator and the potential customer is essential.



The session was followed by Question & Answers. There was a question relating to tax treatments for multi-nationals. Mr. Julian Lamb, replied the questions and explained tax efficient mechanism at Jersey that reduces effect of tax on MNCs.

TECHNICAL SESSION 4A : CORPORATE GOVERNANCE AND CSR



The panelists for the technical session 4A were Prof. Y R K Reddy, International Advisor & Founder, Academy of Corporate Governance, Mr. N K Jain, Secretary & CEO, The ICSI and Mr. Azryain Borhan, Malaysia. Mr. Joey Mathekgga was the moderator.

Mr. Azryain Borhan from Malaysia focussed on repositioning of CG and CSR in the 21st Century and explained that the CG and CSR are the part of National Economic Value Chain. He said, "Instead of knowing Corporate Governance there is a need to love Corporate Governance."

Mr. N K Jain explained in detail the development of CG in India, challenges, strategies to address the challenges, trends in UK, Singapore, South Africa, India etc. He also highlighted the various initiatives taken by ICSI including research studies and training programmes in this regard.

Prof Y R K Reddy highlighted global financial crises, self regulation and global challenges on CSR and said stronger rules are required in those countries where capital market is not fully developed.

The session was followed by Question & Answers. The question, "Does law made it, compulsory to contribute 2% of Company profit towards CSR activity, while these profits are related to shareholders directly?" Mr. N K Jain replied that contribution is 2% that is fixed but not mandatory. But if we see this from the perspective of society at large, then that amount would be spent by board for the benefit of society. If the board do not spend this amount then shareholder has the right to ask the question in the meeting about the CSR fund.

TECHNICAL SESSION 4B : SOCIAL NETWORKS : USE AND IMPACT ON REGISTRARS' FUNCTIONS

The panelists for technical session 4B were Mr Pavan Duggal, Advocate, Supreme Court of India, Mr. Jermy Dickson, Manager Client Service Delivery, New Zealand Companies Office (NZCO) and Mr. Sutanu Sinha, Senior Director, The ICSI. Mr. Timothy Moss, Companies House, UK was the moderator.

Mr. Pavan Duggal said that social media has both positive and negative aspects and the regulators should use the information considering its authenticity and relevance.

Mr. Jeremy Dickson explained the way NZCO uses social media for sharing information, receiving public review etc.

Mr. Sutanu Sinha said that the regulators can use social networks for consultative process, investor education, dissemination of information.



The session was followed by Question & Answers. A question relating to quantifying the benefits from social network, was replied by Mr. Jeremy Dickson explaining the mechanism followed at NZCO. Another question was related to case against social media. Mr. Pavan Duggal replied the question by explaining a recent case study on infringement of copy right by social media.

