



THE INSTITUTE OF Company Secretaries of India

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

NOIDA CHAPTER

E-newsletter

September, 2010

Useful Thoughts

DESIRE IS THE KEY TO MOTIVATION, BUT ITS DETERMINATION AND COMMITMENT TO AN UNRELATING PURSUIT OF YOUR GOAL – A COMMITMENT TO EXCELLENCE, WILL ENABLE YOU TO ATTAIN THE SUCCESS YOU SEEK

PERSONAL DEVELOPMENT IS YOUR SPRINGBOARD TO PERSONAL EXCELLENCE. ONGOING, CONTINUOUS, NON-STOP PERSONAL DEVELOPMENT LITERALLY ASSURES YOU THAT THERE IS NO LIMIT TO WHAT YOU CAN ACCOMPLISH.

FROM THE EDITORIAL DESK:

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Dear professional colleagues,

Success comes to those who strive to achieve their goals. I am happy to share with you the successful completion of the 3rd SMTP at Noida. This is the result of a team effort & the Managing Committee of the Chapter to achieve professional excellence.

We have created a history by conducting NCR Conference at Noida in association with NIRC. There were more than 250 participants & the event conducted at Hotel Radisson, Noida was a huge success. We had the honor of having Sh. R. Bandyopadhyay, Secretary, MCA as Chief Guest & four past Presidents shared their views on "Profession of Company Secretaries – Vision 2020" We strive to make constant effort for the development of our profession in Noida by constant & continuous contribution to the professional growth of students & members.

We urge all the members to try contribute & support, in whatever little way, the activities of chapter by participation in the programmes and give back to the profession which has given us the coveted position in the society.

Thanking you

The editorial team
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Limited Liability Partnership

New Corporate Form – LLP

The Limited Liability Partnership (LLP) is viewed as an alternative corporate business vehicle that provides the benefits of limited liability but allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement. The LLP form would enable entrepreneurs, professionals and enterprises providing services of any kind or engaged in scientific and technical disciplines, to form commercially efficient vehicles suited to their requirements. Owing to flexibility in its structure and operation, the LLP would also be a suitable vehicle for small enterprises and for investment by venture capital.

How to Incorporate a New Limited Liability Partnership

A Limited Liability Partnership may be incorporated as per the procedure explained below:

User Registration

- Register yourself on the website of Ministry of Corporate Affairs, developed for LLP services, i.e. www.llp.gov.in . This website may also be accessed through the website of the ministry www.mca.gov.in on the home page of the URL www.llp.gov.in click “Register” tab on top right hand corner of the page.
- Fill in the registration form. Fields marked * in the form are to be mandatorily filled. Select your user name and password.
- Upload digital signature certificate
- On successful registration, system will give a message that you have been registered successfully.

Obtain Designated Partners Identification Number (DPIN).

- All designated partners of the proposed LLP shall obtain “Designated Partner Identification Number (DPIN)” by filling an application individually online in Form -7.
- For obtaining DPIN kindly log in by clicking on the “Login” tab on top right corner of the home page, enter your user name and password. After login, click on the E-forms link. List of e-forms will open. Click and open Form 7.
- Fill up “Form 7” for allotment of DPIN
- Pay filing fee of Rs.100 online through credit card (master/visa)
- Submit the application form online. The system will generate a provisional DPIN. Kindly note it carefully
- Take the print out of the application form, affix a latest passport size photograph and get it attested/certified for submission physically along with documentary evidences for proof of identify and proof of residence with the Registrar LLP.
- Deliver the printed and signed application form, along with the prescribed documents by hand/courier/registered post to the Office of Registrar, Ministry of Corporate Affairs, 3rd Floor, “Paryavaran Bhawan”, CGO Complex, Lodhi Road, New Delhi-110003.

Digital Signature Certificate

Partner/Designated partner of LLP/proposed LLP, whose signatures are to be affixed on the e-forms has to obtain class 2 or class 3 Digital Signature Certificate (DSC) from any authorized certifying agency.

Salient features of the LLP Act, 2008

1. **Incorporation** - The LLP shall be a body corporate and a legal entity separate from its partners. Any two or more persons, associated for carrying on a lawful business with a view to profit, may by subscribing their names to an incorporation document and filing the same with the Registrar, form a Limited Liability Partnership. The LLP will have perpetual succession.
2. **Rights and Duties** - The mutual rights and duties of partners of an LLP *inter se* and those of the LLP and its partners shall be governed by an agreement between partners or between the LLP and the partners subject to the provisions of the LLP Act, 2008. The act provides flexibility to devise the agreement as per their choice. In the absence of any such agreement, the mutual rights and duties shall be governed by the provisions of proposed the LLP Act.
3. **Assets and Liabilities** - The LLP will be a separate legal entity, liable to the full extent of its assets, with the liability of the partners being limited to their agreed contribution in the LLP which may be of tangible or intangible nature or both simultaneously. No partner would be liable on account of the independent or un-authorized actions of other partners or their misconduct. The liabilities of the LLP and partners who are found to have acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the LLP.
4. **Designated Partners** - Every LLP shall have at least two partners and shall also have at least two individuals as Designated Partners, of whom at least one shall be resident in India. The duties and obligations of Designated Partners shall be as provided in the law.
5. **Annual Accounts** - The LLP shall be under an obligation to maintain annual accounts reflecting true and fair view of its state of affairs. A statement of accounts and solvency shall be filed by every LLP with the Registrar every year.
6. **Audit** - The accounts of LLPs shall also be audited, subject to any class of LLPs being exempted from this requirement by the Central Government.
7. **Powers of Central Government** - The Central Government has powers to investigate the affairs of an LLP, if required, by appointment of competent Inspector for the purpose.
8. **Compromise or arrangement** - The compromise or arrangement including merger and amalgamation of LLPs shall be in accordance with the provisions of the LLP Act 2008.
9. **Conversion of a firm, private company or an unlisted public company into Limited Liability Partnership** – A firm, private company or an unlisted public company is allowed to be converted into LLP in accordance with the provisions of the Act.
 - Upon such conversion, on and from the date of certificate of registration issued by the Registrar in this regard, the effects of the conversion shall be such as are specified in the LLP Act.
 - On and from the date of registration specified in the certificate of registration, all tangible (moveable or immovable) and intangible property vested in the firm or the company, all assets, interests, rights, privileges, liabilities, obligations relating to the firm or the company, and the whole of the undertaking of the firm or the company, shall be transferred to and shall vest in the LLP without further assurance, act or deed and,
 - the firm or the company, shall be deemed to be dissolved and removed from the records of the Registrar of Firms or Registrar of Companies, as the case may be.
10. **Winding up of the LLP** - The winding up of the LLP may be either voluntary or by the Tribunal to be

established under the Companies Act, 1956. Till the Tribunal is established, the power in this regard has been given to the High Court.

11. **Application of the provisions on the Companies Act, 1956** - The LLP Act 2008 confers powers on the Central Government to apply provisions of the Companies Act, 1956 as appropriate, by notification with such changes or modifications as deemed necessary. However, such notifications shall be laid in draft before each House of Parliament for a total period of 30 days and shall be subject to any modification as may be approved by both Houses.
12. The Indian Partnership Act, 1932 shall not be applicable to LLPs.

ACTIVITIES OF THE MONTH

Secretarial Modular Training Programme

Noida Chapter of NIRC of ICSI conducted its 3rd Secretarial Modular Training Programme (SMTP) at Jaipuria Institute of Management, Plot No. A – 32A, Sec-62, Noida.

Inaugural Session

On 6th Sept, 10, 3rd SMTP of Noida Chapter of NIRC of ICSI was inaugurated. Shri R. Krishnan, Past President, ICSI was the chief guest on the occasion. Shri R. Krishnan shared his views about the importance of the profession of Company Secretaries in today's world. He emphasized on the expectations of the management from Company Secretaries as a professional. He suggested the participants to have positive approach



towards every step of career, set the targets and priorities for execution and widen the area of work. The 15 day programme was being attended by 43 participants.

L to R – CS Neeta Sinha, CS Preeti Grover, CS Rajiv Bajaj, CS R. Krishnan, Mr. J.D. Singh

Dr J D Singh, President of Jaipuria Institute of Management, Noida also addressed the students. The Chairman of Noida Chapter of ICSI shared his vision with the young professionals. The programme was coordinated by Ms. Preeti Grover (Vice-Chairperson, Noida chapter of ICSI). The Programme ended with a vote of thanks to the Chief Guest, learned speakers and all those present at the event.

Valedictory Session

On 21st Sept, 2010, valedictory function of 3rd SMTP was organized. Ms. Reena Arya, Commissioner, Customs & Central Excise, Noida was the chief Guest on the occasion. She congratulated all the participants on the successful completion of training. She also shared some practical tips with the participants which they found very beneficial for their corporate life.

Mr. Satwinder Singh, Partner, Vaish Associates and the Head Faculty of Finance, Jaipuria Institute of Management, Noida were also present on the occasion. They offered best wishes to the participants for their forthcoming professional career.

The Best Presenter award was given to Ms. Anu Handa and Mr. Govind Maheshwari. Certificates and medals were given to all the successful participants.

Noida Chapter of NIRC of ICSI presents special thanks to Jaipuria Institute of Management for the excellent arrangement of venue and facilities.

Programme on ‘Profession of Company Secretaries – Vision 2020’ – 18th September, 2010

On 18th September, 2010, ICSI-NIRC and Noida Chapter of NIRC of ICSI organized a one day seminar on ‘Profession of Company Secretaries – Vision 2020’ at Hotel Radisson, Noida.

Inaugural

Shri Hitender Mehta, Chairman, Professional Dev. & Programme Coordination Committee, NIRC-ICSI initiated the proceedings of the seminar. He welcomed & introduced the dignitaries present on the dias. He also introduced the theme of the seminar.

Shri B.K. Sharma Chairman, NIRC extended warm welcome to the Chief Guest – Mr. R. Bandyopadyay, Secretary to Government of India, Ministry of Corporate Affairs, Guest of honour -



L to R – Mr. Hitendra Mehta, Mr. Sanjay Grover, Mr. Ichiro Kitahara, Mr. B.K. Sharma, Mr. R. Bandyopadyay, Ms. Preeti Malhotra, Mr. P.K. Mittal, Mr. Rajiv Bajaj

Mr. Ichiro Kitahara, MD, Panasonic and other eminent speakers. Mr. R. Bandyopadyay, in his inaugural address shared that Indian economy is growing and for the profession of Company Secretaries to rise, it is significant that the country should grow and Industrialization should also increase in the country. Mr. Ichiro Kitahara, in his inaugural address shared information about the manufacturing sector and how it is contributing to the growth of India. Ms. Preeti Malhotra, Past President-ICSI was the key note speaker at the inaugural session. While addressing the audience on the “Role of Company Secretary by 2020”, she highlighted the importance of Company Secretary Profession in the Corporate World and informed that the Institute is taking efforts in enhancing the value of the CS Profession. The Chairman, Noida Chapter of NIRC of ICSI proposed vote of thanks.

Technical Session

Ms. Preeti Grover, Vice-Chairperson, Noida chapter, NIRC-ICSI, welcomed & introduced the dignitaries present on the Dias. Mr. O.P. Dani, Past President, ICSI spoke on “Global Scenario and its impact on CS Profession”. He discussed that the growing internationalization of business has its impact on CS Profession. The CS professional has to cope with the International laws, regulations, taxation, management style, work ethics and more.

Mr. Prashant Kapoor spoke on “Commercial & Legal aspects of Corporate Restructuring”. He discussed that corporate restructuring is very necessary and desirable for a company for either operational, financing, risk management or cost efficiency purposes.

Ms. Shivi Agarwal, Partner Dhir & Dhir Associates, Advocates spoke on “Opportunities for Professionals in Insolvency Laws”. While addressing the audience, she mentioned that with the globalisation of economy, the issues relating to corporate insolvency have assumed greater significance. Moreover, with the Indian economy having been opened up for investment by foreign creditors and, internationally, the Indian corporate also making investments in companies outside, the realm of cross-border insolvency law has multiplied vastly.

Mr. V.P. Dalmia, Partner, Vaish Associates spoke on” Opportunities for Professionals in Intellectual Property Rights”. He explained that the work in IPR ranges from the enforcement of industrial and intellectual property rights such as patents, copyrights, trademarks, trade names and know-how, to the structuring and negotiating of complex transactions. Such transactions may involve franchises, technology transfer and licensing, distribution arrangements, and joint ventures. Therefore, to address these transactions, professional expertise is required and all the legal aspects have to be maintained.

The seminar was attended by about 250 participants.

At the end Mr. Janak Sachdeva proposed vote of thanks.

FORTHCOMING PROGRAMMES

- **Study Circle Meeting** - 8th Oct, 2010
- **Student Induction Programme(SIP)** - 23rd Oct, 2010
- **Career Counseling Sessions at 3 schools**