

EXAMINERS' OBSERVATIONS AND COMMENTS ON THE PERFORMANCE OF EXAMINEES FOR EXECUTIVE PROGRAMME (N/S) AND PROFESSIONAL PROGRAMME (O/S & N/S) IN DECEMBER 2014 EXAMINATION

The December 2014 session of the Company Secretary Examination was held from 22nd December 2014 to 31st December, 2014. The marks obtained position of candidates for all papers of Executive Programme (New Syllabus), Professional Programme (Old Syllabus), and Professional Programme (New Syllabus), have been compiled and presented in Table A, B, & C respectively for the information of the candidates. Though the marks obtained position showed good performance by the candidates in most of the papers, some candidates were not able to clear the examination due to various drawbacks in their answers. Therefore, it would be beneficial for those candidates to know the general weaknesses in their answers. Some common drawbacks based on the comments and observations noted down by the examiners have been given paper-wise hereunder for information of the candidates, so as to enable them to overcome their deficiencies and improve their performance in the forthcoming examination.

Table - A**Statement Showing the Marks Obtained Position of Candidates in all Papers of Executive Programme (New Syllabus) in December 2014 Examination**

Subjects		Percentage of Candidates Secured		
		40 to 49% marks	50% to 59% marks	60% and above marks
EXECUTIVE PROGRAMME				
MODULE I				
1	Company Laws	24.64	6.37	1.18
2	Cost and Management Accounting	27.23	24.19	23.45
3	Economic and Commercial Laws	25.53	8.21	1.29
4	Tax Laws and Practice	32.20	25.45	14.08
MODULE II				
5	Company Accounts and Auditing Practices	17.20	5.14	1.33
6	Capital Market and Securities Laws	21.19	5.72	0.81
7	Industrial, Labour and General Laws	22.75	28.50	34.47

Table - B

**Statement Showing the Marks Obtained Position of the Candidates in all Papers of
Professional Programme (Old Syllabus) in December 2014 Examination**

Subjects		Percentage of Candidates Secured		
		40% to 49% marks	50% to 59% marks	60% and above marks
PROFESSIONAL PROGRAMME				
MODULE I				
1	Company Secretarial Practice	47.95	20.65	2.69
2	Drafting, Appearances and Pleadings	42.63	38.32	7.20
MODULE II				
3	Financial, Treasury and Forex Management	33.10	12.14	2.27
4	Corporate Restructuring and Insolvency	43.85	14.90	0.97
MODULE III				
5	Strategic Management, Alliances and International Trade	42.39	25.06	4.52
6	Advanced Tax Laws and Practice	33.30	9.64	1.61
MODULE IV				
7.	Due Diligence and Corporate Compliance Management	49.35	14.63	1.29
8.	Governance, Business Ethics and Sustainability	44.66	25.81	3.88

Table - C

**Statement Showing the Marks Obtained Position of the Candidates in all Papers of
Professional Programme (New Syllabus) in December 2014 Examination**

Subjects		Percentage of Candidates Secured		
		40% to 49% marks	50% to 59% marks	60% and above marks
PROFESSIONAL PROGRAMME				
MODULE I				
1	Advance Company Law & Practice	33.51	11.95	2.06
2	Secretarial Audit, Compliance Management and Due Diligence	40.99	15.26	2.01
3	Corporate Restructuring, Valuation and Insolvency	29.85	8.52	1.79
MODULE II				
4	Information Technology and System Audit	29.32	12.45	3.72
5	Financial, Treasury and Forex Management	25.34	9.50	2.49
6	Ethics, Governance and Sustainability	41.18	21.89	6.57
MODULE III				
7.	Advanced Tax Laws and Practice	22.85	7.79	1.99
8.	Drafting, Appearances and Pleadings	42.73	19.40	3.68
9.	Banking Law & Practice (Elective Paper)	31.42	9.57	1.39
10.	Capital Commodity & Money Market (Elective Paper)	42.78	22.86	4.19
11.	Insurance Law & Practice (Elective Paper)	34.18	39.87	7.59
12.	Intellectual Property Rights-Law & Practice (Elective Paper)	34.85	28.09	14.17
13.	International Business-Law & Practice (Elective Paper)	27.23	42.66	22.08

EXECUTIVE PROGRAMME (NEW SYLLABUS)

MODULE I

1. COMPANY LAW

Notified provisions of Companies Act, 2013 have been made applicable for the first time in this paper. The overall performance of the candidates in this paper was just average. Many students seem to have not understood some concepts in Companies Act 2013.

The candidates showed average performance in question No. 1 which covers aspects such as capital reserve, reserve capital, piercing corporate veil, maintaining minutes in loose leaf form etc. The candidates were required to attend either question No. 2 or an alternate question No. 2A. The performance in question 2 was average and in question 2A many candidates have not understood the concept of perpetual succession, loan to directors under Section 185 of Companies Act 2013 etc. Similarly, candidates were required to attend either question 3 or question 3A being an alternate question. Question 3 being a case based question and question 3A was the combination of straight and case based questions; the performance of the candidates was very poor in question No. 3 and was average in question No. 3A. The performance of the candidates in question 4, being case based was below average. The candidates showed very poor performance in question No. 5 relating to failure to pay interest on repayment of deposits, ratification action of Managing Director etc. The performance in question No. 6 was average.

The candidates are expected to go through the applicable provisions of Companies Act 2013 and Companies Act, 1956. They should not be satisfied with surface knowledge to pass the exams. In-depth knowledge is required to tackle the application oriented questions. They are expected to read charter secretary and other case laws in addition, to be through with their study material.

2. ECONOMIC AND COMMERCIAL LAWS

In this paper, candidates have exhibited reasonable theoretical knowledge but lacked practical knowledge. Analytical ability was found missing in most of the answers. Majority of the

candidates could not refer to the relevant sections of the respective statutes. Lack of systematic study and thorough knowledge of the subject seems to be the reasons for low performance.

In question No. 1, the answers furnished were fairly reasonable except part (c) relating to definition of court under Arbitration and Conciliation Act, 1996. Question No. 2 was also answered well, except for part (c) and part (e). Performance in Question No. 2A was average except for part (ii) which was not attempted well by most of the candidates. Performance of candidates in Question No. 3 is just average. Most of the candidates have attempted all the part averagely except for part (c), where the performance was poor. Question No. 4 was not attempted well. Question 4(b) was correctly answered by only a few candidates. Performance of the candidates was average in Question No. 5(a) and 5(c) but poor performance was shown in 5(b), 5(d) and 5(e). Both the Question No. 6 and 6A have been satisfactorily answered by the candidates.

The subject of Economic and Commercial Laws requires latest knowledge of the amendments therefore candidates are advised to refer the “Student’s Company Secretary” e- bulletin, “Chartered Secretary” and the upcoming notifications, circulars and case laws to keep themselves updated on the subject. For scoring good marks the answer should be precise, length should be reasonable and the answer should cover only the relevant provisions which are asked in the question. Candidates are further advised to avoid irrelevant matter, illegible handwriting.

MODULE II

3. COMPANY ACCOUNTS AND AUDITING PRACTICES

Company Accounts and Auditing Practices being a practical paper require clear conceptual understanding and thorough practice of practical problems to score good marks. The performance in this paper was below average. In theory questions like Question No. 1 and 2, candidates should write clear and to-the point answers. It is generally observed that candidates have written vague answers to the theoretical questions, showing lack of conceptual clarity. The answers should be specific and to the point. The performance was average in alternative Question No. 2(A). Performance was very poor in Question No. 3 (b). Candidates were required to calculate managerial remuneration but very few could solve it correctly. The performance in Question No. 4(a) was average. Question No.

4(b) on consolidated Financial Statements was simple but it is generally observed that very few candidates attempted this question. It is very important topic and candidates should focus more and practice preparation of financial statements as per the format prescribed in Schedule III of Companies Act 2013. Performance was average in Question No. 5 and 6 however lack of understanding and conceptual clarity among candidates specifically in respect to the applicable provisions of the Companies Act 2013 is noticed.

Candidates are advised to have clear knowledge of fundamental concepts to solve practical questions correctly. They should practice practical problems from standard text books and suggested readings. In theory questions it is important to write answers in definite and precise manner. It is also important to write answers neatly and present them in proper format.

4. CAPITAL MARKET AND SECURITIES LAWS

The overall performance of the candidates in this paper was average. Candidates do not seem to have the thorough knowledge in this paper. Many candidates lacked presentation skill while writing the answers. It was observed that candidates are not updated with the latest changes and amendments taking place in the area. Some of the answers were not relevant to the question asked.

Question No. 1(a) was attempted by majority of candidates but most of them were not able to identify the related provisions. In Question No. 1(b) the performance of the candidates was poor. Candidates lacked conceptual clarity and analytical skill and have written very vague answer. In Question No. 1(c) the performance of the candidates was below average. Candidates were unable to give the legal provisions and justifications under the respective SEBI regulations. Hence many of them left the answer in mid way by not giving the conclusion. Answer to Question No 2(a), (b) and (c) were by and large found to be attempted by majority of candidates, but the answers written were ordinary and not specifically pointed on the particular topic. Though the concept of treasury bills is known to candidates, the candidates were not well versed with practical implications.

Question No. 2A(i) on issue of Sweat equity shares was well attempted by candidates. Response to Question No. 2A(ii) and (iii) the answers were ambiguous due to lack of proper knowledge and understanding on the related concepts. In Question No 3 (a) Candidates were confused between the concept of IDR and ADR/GDR. In Part (b) and (c) of Question No. 3 the candidates elaborated the concept correctly. In Question No. 4 the performance of the

candidates was quite satisfactory but the candidates were confused with certificate of deposit and inter-corporate deposit and investible fund. In Question No. 5 (a) relating to Insider trading, the candidate elaborated the concept correctly. It also seems that the candidates have good knowledge and conceptual clarity on the topic. Question No. 5 (b) on Offer for sale, the performance of the candidates was below average. The response to Question No. 5 (c) shown that the candidates lacked legal deliberations. In Part (a) of Question No. 6, the candidate wrote much generalized answer not specific as mentioned under the Act. In response to part (b) and (c) the performance of the candidate was good. In Question No. 6A (i) the performance of the candidate was good and it seems candidates were conversant and have proper understanding of the particular topic. In Question No. 6A (ii) the performance of the candidates was quite satisfactory the candidates were confused about the term 'In-person verification'.

Capital Market and Securities Laws being a dynamic subject require understanding of procedures and practices being followed in capital market. Candidates are advised to attend study circle meetings organized by the chapters regularly, keep themselves updated by accessing the websites of SEBI, MCA, BSE and NSE etc, one financial daily and journal, apart from the study material.

PROFESSIONAL PROGRAMME (OLD SYLLABUS)

MODULE I

1. COMPANY SECRETARIAL PRACTICE

The overall performance of the candidates in this paper was just average. This paper was based on notified provisions of Companies Act 2013 and the provisions of Companies Act 1956 which still existing. The students does not seem to have understood certain practical aspects, being Companies Act 2013 been made applicable for the first time.

Question No. 1(a) being fill in the blanks question was well attempted by the candidates. The candidates showed average performance in Question No. 1(b) relating to choosing a right answer. In Question 1(c) relating to e-form many candidates wrote the correct answer. The Question No. 1(d) was not attempted well by the candidates. The performance of the candidates in question No. 2(a) and 2(b) relating to drafting of resolutions the performance of the candidates was average. The question 2(c) relating to drafting indemnity bond the performance was very poor. The performance in question No. 3(a), was up to the mark. In

Question 3(b) which is a 'true' or 'false' based question, the reasoning given by the candidates require improvement. The candidates showed average performance in question 4(a) which was relating to consequences of non-registration of charges. The candidates showed average performance in question 4(b), 4(c) and 4(d). The candidates showed average performance in question No. 5. In question no 6 the performance of the candidates was just average, especially in 6(c) relating to appointment of auditors. Question No. 7 was well attempted by the candidates but they did not perform well in question No. 8, especially the aspects relating to foreign legislations.

The candidates are advised to improve their drafting skills. In-depth reading the law is required. It is also advised to read case laws on regular basis, to develop the application oriented side of the subject. This paper being practice oriented, the candidates are advised to be familiar with procedural aspect. Further conceptual understanding of the subject, precise presentation of answers is essential.

2. DRAFTING, APPEARANCES AND PLEADINGS

In this paper, candidates exhibited lack of reasonable writing skills. In certain questions candidates lacked practical application and analytical approach. Drafting skills of the candidates requires improvement. The answers should be supported by provisions of laws, the knowledge of which is found missing in the candidates. They should refer to legal documents, suggested reading on drafting and conveyancing for improving their performance.

Question No.1 (a) was not understood by most of the candidates and therefore was not satisfactorily attempted, whereas part (b) and (c) of Question No. 1 were attempted in a good manner. In Question No.2 (a), many candidates were not able to attempt fill in the blanks correctly. Question No. 2(b) based on essential requirements of sale of immovable property was answered well by most of the candidates. Question No.2(c), was also well answered by most of the candidates. In Question No.3 (a), the performance was not satisfactory on drafting a specimen deed of assignment of Life insurance policy. In Question No. 3(b) most of the candidates did well in commenting on the statements to be true or false with giving the reasons. In Question No.4 related to short notes the performance of candidates was just average. The answers were not supported by relevant case laws and candidates showed a lack of conceptual clarity. Candidates performed well in both the parts of Question No.5 and scored maximum

marks in this question. The performance of the candidate in Question No. 6 was not satisfactory as the deed of hire purchase was not drafted up to the mark in Question No. 6(a) and Question No. 6(b) was not attempted by most of the candidates. In Question No.7 (a), many candidates failed to draft deed of guarantee. The performance in Question No.7 (b) was also not satisfactory. Question No.8 (a) was attempted well, but performance in Question No. 8(b) was not up to the mark.

Candidates can improve their performance in this paper by concentrating on writing and drafting skills. The candidates are advised to consult various law journals like All India Reporter, Corporate Law Courier, for latest judgments. They should gain the in-depth knowledge of the subject.

MODULE II

3. FINANCIAL, TREASURY AND FOREX MANAGEMENT

The overall performance of the candidates in this paper was average. Candidates need to work on the presentation of answers, especially numerical problems. Candidates should avoid selective preparation; rather they should do holistic preparation on the subject to enhance their conceptual clarity. For theoretical questions candidates needs more conceptual reading and for practical questions they should do rigorous practice to enrich their knowledge and exposure in the subject.

Question No. 1 being compulsory question was attempted by almost all the candidates. The performance of the candidates was satisfactory in this question. Question No. 2 was attempted by few candidates where in part (a) the performance was satisfactory but in part (b) performance was not up to the mark. Question No. 3(a) was well attempted by most of the candidates but in part (b) the concept of straddle position was not clear to many candidates. Question No. 4 was satisfactorily answered by majority of candidates. Performance of candidates in Question No. 5(a) was good but in part (b) was not satisfactory. In Question No. 6 (a) and (b) the performance of candidates was just satisfactory but in pat (c) the performance was very poor and lacked conceptual clarity. Performance in Question No. 7 was average.

Candidates should focus on the entire syllabus both practical and theory parts and should have basic conceptual clarity on the subject. Candidates should have clear knowledge of fundamental concepts to solve practical questions correctly. They should practice exhaustively

by solving practical problems from standard text books and suggested readings. It is also important to write answers neatly and present them in proper format.

4. CORPORATE RESTRUCTURING AND INSOLVENCY

The overall performance of the candidates was above average. The case based questions were not well attempted by the candidates. It requires through reading of the legal provisions and its' interpretation.

Question No. 1(a), (c) and (d) were well attempted by the candidates and question 1(b) being interpretation based/case based question, the performance was below average. Question No. 2(a), being a practical question, the candidates did not show satisfactory performance. The performance of the candidates in Question No. 2(b) was good. In Question No. 3 the performance was average. The performance in Question No. 4(a) relating flow chart on mergers was poor; In Question No. 4(b), candidates showed average performance. Question No. 5 was well attempted by all. In Question No. 6(a) relating securitization, the performance was very poor. Question no 6(b) and 6(c) were well performed. Question No. 7 was answered well. In Question No. 8 candidates showed average performance.

Candidates are advised to read the question thoroughly for better understanding and to give to the point answers which will increase the quality of answer and help in time management. Proper judgment must be done between the length of the answer and marks allotted to it. Mentioning of rules, provision, sections, form no. etc helps in securing good marks. Candidates are advised to read the emerging M&A cases, offer documents, public announcements in the economic dailies and to be in line with the current trend of acquisitions.

MODULE III

5. STRATEGIC MANAGEMENT, ALLIANCES AND INTERNATIONAL TRADE

The performance of candidates is overall satisfactory though it could have been much better if they have focused on the thorough conceptual study and presentation required for the professional level examination. The candidates should write precise and crisp answers instead of lengthy and vague answers. They should also write answers neatly in good handwriting, mention question numbers correctly and answer all parts of one question together. It is also

important to express answers in bulleted points giving proper headings and examples rather than writing long essay type answers.

Performance was average in Question No. 1. Majority of candidates attempted Question No.2 (a) correctly. However reasons for True and False were missing in some of the cases. Performance was below expectation in part (b) and (c) of Question No. 2. This shows lack of conceptual clarity and in-depth study by the candidates. Very few candidates have attempted Question No. 3. Again the candidates failed to understand the questions and wrote what they knew instead of what was asked for, especially in part (a) of Question No. 3. Performance was average in Question No. 4 and Question No. 5. In questions where basic concepts are asked, candidates should try to explain the concepts in their own language. Performance in Question No. 6 was just average. The candidates should have answered the questions more adequately specifically in part (a) where example on comparative advantage was missing in most of the cases. Almost none of the candidates answered Question No. 7(b) related to tariff and non tariff barrier which is a very common topic in international trade. So, a more comprehensive study is required on the part of the candidates. The performance was below average in Question No. 8. Very few candidates attempted this question and the quality of answer was very poor.

Candidates are advised to read extensively and try to understand the concepts clearly from standard text books and suggested readings. It is very important to write to the point answers. Candidates should also be updated of recent amendments in laws through various law journals including Student Company Secretary Bulletin, websites like www.wto.org, commerce.nic.in etc. Writing answers neatly in good eligible handwriting and presenting them point wise with headings, tables and graphs wherever possible is very crucial in fetching good marks.

6. ADVANCED TAX LAWS AND PRACTICE

The overall performance of the candidates was average. The performance was better in Part C than in Part A and B. In-depth knowledge of subject matter is imperative for candidates at professional level however, answers exhibited lack of conceptual clarity and systematic and logic approach. Many candidates have answered the question in a general manner and seem to be unaware about the provisions of laws and amendments thereof.

For Question No. 1, performance was average, for part (a), they could not substantiate their answers with adequate and valid reasoning. The performance for Question No. 2 (a) and (b)

was not up to the mark, as many candidates failed to calculate the correct interest and tax payable for the respective questions. Question No. 2 (c) was answered fairly well by most of the candidates.

Question No. 3(a) and (b) were satisfactorily attempted by most of the candidates. However, many of them failed to answer Question No. 3 (c). The Multiple Choice Questions and Fill in the Blanks in Question No. 4 were well attempted by most of the candidates. Question No. 5 was poorly solved by most of the candidates showing that candidates were not well versed with the practical aspect of Central Excise and Customs.

Many candidates failed to give appropriate answer for Question No. 6. as the answers were sketchy without referring to the “decided case laws”. The performance in Question No. 7(b) and (c) was average, however in Question No. 7(a), instead of Excise Audit many candidates wrote about the Financial Audit. For Question No. 8, the performance was satisfactory except in case of part (ii) of the Question where candidates were unaware of “Safe Harbour rules”.

The candidates need to have conceptual clarity about the subject, particularly in the topics related to the Customs and Excise. They should read Chartered Secretary and the Students Company Secretary Bulletin; be aware of latest amendments and study the recent case laws. Candidates should solve more and more practical problems related to indirect taxes to be able to answer them in a better manner. For scoring good marks in the theory part, candidates should write answers in a precise and systematic manner covering the relevant provisions of the Applicable Act. Further, candidates are exhorted to understand the question before attempting the same.

MODULE IV

7. DUE DILIGENCE AND CORPORATE COMPLIANCE MANAGEMENT

The overall performance was just average. Whenever a question demands interpretation, the candidates fail to perform. It indicates that the questions which are objective types and other straight questions from the study material were well-attempted and the questions which require critical examination of a given situation were not answered to the satisfactory level. Low depth level of candidates in terms of knowledge and practical awareness are one of the causes of not passing the examination.

Question No.1, being a compulsory question was attempted by most of the candidates. Though the overall performance in this question was good, many candidates were not clear about aspects like foreign investment, compliance audit etc. Further, the interpretations/comments of the candidates requires further refinement. The performance of the candidates in Question No. 2(a), being an objective type question was good. The answer to question no 2(b) was not attempted well and many were not able to differentiate between 'frequently traded and infrequently traded. . Question no 3(a), (b) and (c) being case based question were attempted by very few candidates and the performance in these question was very average. The performance of the candidates in question 3(d) was good. Question no 4(a) and 4(b) was not answered by the candidates well. The performance in Question no 4(c) was good. The performance of the candidates especially in question no 5(b) was below average. The answer to question no 6(a) was good and 6(b) and 6(c) was average. Question No.7, the performance of the candidates was satisfactory. The performance of the candidates in Question No. 8 was attempted by many candidates and the performance was average.

Candidates are advised to read beyond study materials to acquire overall knowledge that is required for due diligence decisions. Candidates are advised to read the offer documents, economic dailies etc in addition to professional magazines like charter secretary etc. Candidates are advised to improve their written communication skills, aptitude towards the subject.

8. GOVERNANCE, BUSINESS ETHICS AND SUSTAINABILITY

The overall performance of the candidates was average. The performance revealed lack of in-depth knowledge and rigorous study. The candidates need to understand the subject conceptually and also improve upon their presentation skills and command over language.

The performance of many candidates in Question No. 1(a) was below average but part (b) was well attempted by most of the candidates. Performance of candidates in Question No. 2(a) was good, but in part (b) the concept of related party transaction was not discussed well. Question No. 3 was attempted by very few candidates and those who attempted this question except for part (b), their performance was very poor. Question No. 4(a) and (b) were satisfactorily answered by most of the candidates. Question No. 5 was also well attempted by most of the candidates. Performance in Question No. 6 was average in all the parts. In Question No. 7(a) some candidates answered only first part of the question related to stakeholders concept, but

could not answer the second part related to its recognition in law. Part (b) and (c) of Question No. 7 were well attempted. Performance in Question No. 8 was average.

Candidates are required to manage their time properly, read the question thoroughly before answering keeping in mind the marks allotted to the question. It is advised that the candidates focus on writing and presentation skills also. Further, it is advised that the candidates must update themselves with latest development in the area by reading “Academic updates”, “Chartered Secretary”, “Student Company Secretary” e-bulletin and other journals, newspapers, etc.

PROFESSIONAL PROGRAMME (NEW SYLLABUS)

MODULE I

1. ADVANCED COMPANY LAW AND PRACTICE

This paper was based on the notified provisions of Companies Act 2013, being made applicable for first time and the provisions of companies Act 1956 which are still in force. In some of the provisions under Companies Act 2013, students have showed lack of understanding with the procedural aspects.

Question No. 1 was based on legal interpretations and comments in a given situation. The candidates showed average performance in this question. The candidates were required to attend either Question 2 or Question 2A being an alternate question. Question 2A is combination of straight and case based question. The performance of the candidates was average. Similarly, candidates were required to attend either question 3 or Question 3A being an alternate question. Question 3 being a combination of straight and case based question and question 3A was straight question. The candidates showed mixed performance in this question. Though Question No. 4 sought procedural aspects and drafting of resolutions the performance of the candidates was not very good. In, Question No. 5(a) relating to interested director, the candidates showed poor performance. The candidates showed satisfactory performance in question No. 5(b). The candidates showed good performance in Question No. 6. The examiners have also observed that the difficulty level of the question paper at professional level may be little higher. Candidates are advised to improve their drafting and

interpretive skills. They should understand the intent of the law and should be able to apply the case for given cases.

2. SECRETARIAL AUDIT, COMPLIANCE MANAGEMENT AND DUE DILIGENCE

The overall performance was average. The candidates should develop application oriented knowledge and to improve their presentation skills. They are required to diligently read the questions and give appropriate answers.

The candidates were required to attend either question No.1 or an alternate question No. 1A. Both questions were based on compliances and drafting/interpretations. The overall performance of the candidates was not satisfactory. Most of the students did not understand the questions. Similarly, the candidates were required to attend either question No.2 or an alternate question No. 2A. Again, both questions were based on compliances/case based that requires drafting/interpretation skills. The overall performance of the candidates was not up to the mark. The performance of the candidates especially in questions 3(a), 3(b) and 3(c) were satisfactory, since the questions were very straight. The candidates showed satisfactory performance in question No. 4. The candidates showed satisfactory performance in question No. 5. The candidates showed good performance in question No. 6 (a) and 6(b) and in question No. 6(c) the performance was poor.

This paper being an application oriented paper and notified provisions of Companies Act 2013, being made applicable for the first time, requires strong understanding of compliances and their applications in a given situation. Candidates are required to update themselves about regulatory changes and improve upon their interpretive skills.

3. CORPORATE RESTRUCTURING, VALUATION AND INSOLVENCY

The overall performance of the candidates was satisfactory. The candidates showed average performance in question No. 1(a), 1(b) and 1(c). The performance of candidates in question No. 1(d) was very poor, which was a case based question relating to amalgamation. The candidates were required to attend either question 2 or Question 2A being an alternate question. Question 2 was the case based and was not attempted well by the candidates. The candidates showed average performance in question 2A. The candidates showed satisfactory performance in question No. 3 relating to business combinations/takeovers etc. The candidates showed average performance in question No. 4(a) which is relating to number of shares to be

issued to takeover a business. In, Question 4(b) and question 4(c) relating to offer price and valuation respectively, the performance was average. The candidates showed good performance in question No. 5. The candidates were required to attend either question 6 or Question 6A being an alternate question, which are based on securitization winding up and insolvency and the students showed satisfactory performance.

The candidates are required to write precise answers. Repetitive answers may be avoided. The presentation of the answers is to be improved. The candidates are required to read the institute journal, updates, cases from SEBI website, offer documents etc to have a better grip on the subject.

MODULE II

4. INFORMATION TECHNOLOGY AND SYSTEM AUDIT

The overall performance of the candidates in this paper was found to be average. Candidates had general understanding of the subject but technical depth was lacking. Answers were found to be general and lacking in substance. The written communication skills also need to be improved.

Question No.1 was attempted by majority of candidates and they scored well in all the parts except in case of part (c) where candidates were not able to describe test pack and its uses in information systems audit. In case of Question No. 2 and 2A, the performance was below average; the answers were general in nature lacking technical depth and clarity. In all the parts of Question No. 2, most of the candidates were unable to explain the relevant provisions of Information Technology Act further in Question No. 2A, the clear differentiation between the technical terms was lacking.

The performance of candidates was average in all the parts of Question No. 3 except in case of Question 3(a) where most of the candidates wrote vague answers. The performance in Question No. 3 (i) & (iii) was found to be satisfactory while most of the candidates were unable to answer the Question 3A (ii) and (iv) related to agile system development and programming methodologies.

Question No. 4 was not satisfactorily attempted by the candidates, in case of part (c) of the question many candidates were unable to draw flow chart correctly, while in case of part (a), most of the candidates failed to name supporting technologies of m-commerce and quote

example in case of part (d). In Question No. 5 (a), many candidates wrote sketchy answers instead of the objectives of NSDG, however Question No. 5 (b) was answered well by most of the candidates. The performance of candidates was good in Question No. 6 (a), (c) and (d). However, many candidates were unaware about the documentation used by Information System Auditors part and could not answer Question No. 6 (b).

Candidates are advised to read the study material thoroughly so that they could improve upon the content of answer. Further, before attempting any question, candidates must read the question and understand the exact requirements of it. In order to score good marks, candidates are advised to avoid writing sketchy and vague answers, improve their presentation and communication skills, and write in accordance with the marks that a question carries. Also, candidates are advised to attempt the questions in a proper order and start every new answer from a fresh sheet.

5. FINANCIAL, TREASURY AND FOREX MANAGEMENT

The overall performance of the candidates in this paper was average. At professional level in-depth knowledge of the subject is required, which seems to be lacking. Candidates need to work on the presentation of answers, especially numerical problems. Answers to theory questions should be focused and the aim should not be to fill pages. They should also learn to apply theoretical concepts in solving practical problems.

Question No.1 related to comments on different statements was attempted by majority of candidates. Most of the students have written general answers which show lack of in-depth knowledge. In part (b) Statistical/mathematical techniques of risk evaluation in capital budgeting could not be explained properly by most of the candidates. In part (d) EBIT and EPS was explained separately by the candidates but not their relationship. Question No. 2(a) and 2(d) were poorly attempted by majority of the candidates which shows lack of conceptual clarity. In Question No. 2A part (ii) and (iii) were not answered satisfactorily.

Question No. 3(a) and (c) were attempted by many candidates but not with a correct approach. Question No. 3A (i) related to application of MM Model (with taxes) was not attempted correctly by most of the candidates. Question No. 4 was well attempted by majority of candidates. Question no. 5 was averagely attempted by the candidates. But many Candidates were not able to explain the determinants of working capital in part (b) and many were not

aware about the guidelines related to project appraisal under inflationary condition in part (c). Question No. 6 was fairly attempted by most of the candidates.

Candidates should focus on the entire syllabus both practical and theory parts and should have basic conceptual clarity on the subject. Candidates are advised to have clear knowledge of fundamental concepts to solve practical questions correctly. In theory questions, it is important to write answers in clear and precise manner. They should practice exhaustively by solving practical problems from standard text books and suggested readings. It is also important to write answers neatly and present them in proper format.

6. ETHICS, GOVERNANCE AND SUSTAINABILITY

The overall performance of the candidates is satisfactory in this paper. The presentation ability involving writing ability of most of the candidates needs improvement. Candidates require more analytical skills and thorough knowledge of the concepts; they need to give more case laws on the subject. Candidates are advised to have clarity of concepts and legal developments taking place in international scenario as regard to corporate governance and sustainability etc.

Question No. 1(b) was written well by most of the candidates but part (a) and (c) were not attempted well by most of them. Question No. 2 was satisfactorily attempted by most of the candidates except for part (d) and (e). Question No. 2A was attempted by very few candidates. In Question No. 3 the performance of the candidates was average as they have written general answers. Performance of candidates in Question No. 4 was average but part (b) and (d) were poorly attempted. In Question No. 5 (a) many candidates failed to explain the importance of sustainability reporting and in part (b) only few could cite relevant case law. Performance in Question No. 6 was average and very few candidates have attempted alternate Question No. 6A.

Candidates are required to manage their time properly, read the question thoroughly before answering keeping in mind the marks allotted to the question. It is advised that the candidates focus on writing and presentation skills also. Further, it is advised that the candidates must update themselves with latest development in the area by reading “Academic updates”, “Chartered Secretary”, “Student Company Secretary” e-bulletin and other journals, newspapers, etc.

MODULE III

7. ADVANCED TAX LAWS AND PRACTICE

The overall performance of the candidates was below average. Advanced Tax Laws and Practice, requires clear conceptual understanding which seems to be lacking in the candidates. The performance was better in case of numerical questions. But in case of the theory, answers were vague and general showing inadequate preparation by candidates.

The performance of the candidates was satisfactory for Question No. 1 (b) and (c), where most of the candidates were able to calculate AMT and MAT, however the performance of the candidates was very poor in case of Question No. 1 (a), where most of the candidates could not calculate the rate of return. Question No. 2 was a theoretical question where candidates could have scored well, however most of the candidates wrote lengthy and vague answers. Question No. 2A was attempted by a few candidates and the performance was not up to the mark as the provisions of the Income Tax Act, 1961 were missing.

For part (a) to (d) of Question No. 3, the overall performance of candidates was good and the quality of answers was also satisfactory. However, for Question No. 3 (e), very few candidates were able to state the legal remedies correctly. For Question No. 4 and 4 A, the performance was not satisfactory as candidates wrote general answers without quoting legal provisions or/and case laws, this shows lack of fundamental clarity. The performance in the Question No. 5 and 6 was satisfactory.

It may be noted that the paper is based on the various practical aspects of tax laws and requires candidates to have thorough and up to date knowledge of legal provisions, latest case laws and amendments. Candidates should read Chartered Secretary and the Students Company Secretary Bulletin; be aware of latest amendments and study the recent case laws so that they are in a better position to solve case based questions. For scoring good marks the answer should cover the relevant provisions and be written in precise and systematic manner. Further, before attempting any question, the candidate must thoroughly read the question and understand the exact requirements of it.

8. DRAFTING, APPEARANCES AND PLEADINGS

Though candidates in general showed satisfactory performance in this paper, had they worked in a systematic manner their performance would have been better this time. The presentation

ability involving writing ability of most of the candidates needs improvement. Candidates require more analytical skills and thorough knowledge of the concepts. Candidates should refer to legal documents, suggested reading on drafting and conveyancing for improving their performance.

The performance of the candidates in Question No.1 was good. Question No. 2 was attempted by most of the candidates and the performance was good. Question No. 2A was attempted by a few candidates but they did not perform well. Question No. 3 was well attempted by few candidates. In Question No. 3A, the performance was just satisfactory. In Question No. 4 the performance of the candidates was not up to the mark as they lacked drafting skills and conceptual clarity. Performance of candidates in Question No. 5(b) was good whereas in part (a) it was satisfactory. Question No. 6 was poorly attempted by most of the candidates as they were unaware about the legal and drafting provisions related to Power of Attorney.

Candidates are required to manage time properly, read the question thoroughly before answering, keeping in mind the marks allotted to the question. It is advised that the candidates focus on writing and presentation skills also. Further, it is advised that the candidates update themselves with latest development in the area by reading “Chartered Secretary”, “Student Company Secretary” e-bulletin and other journals, newspapers, etc. Candidates can improve their performance in this paper by concentrating on writing and drafting skills.

9. ELECTIVE PAPERS

(9.1) BANKING LAW AND PRACTICE

The overall performance of the candidates in this paper was average. The subject requires expert level knowledge, which seems to be lacking. Candidates performed well in the theoretical questions but they were not able to exhibit their knowledge in case study based questions.

The Performance was below average in Question No. 1, where candidates were expected to calculate the various ratios, analyze them and give interpretations. Majority of the candidates were unable to understand requirement of the question. Although, some candidates calculated the ratios but analysis and interpretation of the same was missing. Candidates are advised to read and understand the question properly before answering the same. Question No. 2 was a

theoretical question and the overall performance of the candidate was good. However, many candidates wrote lengthy answers and copied the answers from the study material which is not advisable. The performance in Question No. 3 was below average where candidates were unable to give opinion in the light of legal aspects of right of lien.

In Question No. 4 and Question No. 5, the performance of the candidate was not up to the mark. Question No. 4 most of the candidates could not calculate the working capital limit and in Question No. 5, most of the candidates were unaware of the relevant legal provisions and wrote lengthy and unclear answers. Question No. 6 was attempted well by the candidates.

For open book examination it is essential to understand the basic concepts and analyze the fact which requires a lot of practice. Candidates should prepare thoroughly for the subject for which open book examination is conducted. They should prepare extensively through textbooks, suggested readings, recent updates through RBI website, relevant magazines, bulletins etc. they should study analytically and practice more case studies. Candidates should have a view point while studying and should be able to express their views and points clearly.

Moreover, the exams are conducted in time bound conditions so time management is one of the important key factors in open book examination. Writing answers neatly in good eligible handwriting and presenting them point wise with headings, tables and graphs wherever possible shows professionalism on the part of candidates and is very crucial in fetching good marks.

(9.2) CAPITAL, COMMODITY AND MONEY MARKET

The overall performance of the candidates in this paper was found to be satisfactory. Being an open book examination the candidates should develop their skills of critical and creative thinking. The candidates should aim for concise, accurate, thoughtful answers that are based on facts and circumstances and logical writing by quoting appropriate case study, judgement, and examples etc. The performance was satisfactory as the Candidates had general understanding of the subject with no technical depth.

In Question No.1 relating to calculation of shareholding by different category of shareholders, the performance of the candidates was below average. Majority of candidates were not aware how to calculate the shareholding, if GDR is converted into shares or debenture is converted into shares, only part (e) of Question No. 1, with respect to offer for sale was well attempted by

most of the candidates. Question No. 2 on Calculation of EPS and Exchange ratio; due diligence and Norms for Corporate disclosure policy, the performance of the candidates was very good. Question No. 3 and 4 on money market mutual funds and exchange traded funds were by and large found to be attempted by majority of candidates. It also seems that the candidates have good knowledge and conceptual clarity on the particular topic. Question No. 5 was fairly well attempted by majority of the candidates. In Question No. 6, candidates were unable to answer and gave ambiguous answers.

It was observed that most of the candidates emphasized on quantity of answers, as a result, their answers were though *prima facie* looking correct but there is no in-depth technical knowledge on the concept. Candidates have to work upon their analytical and problem solving skill. The subject requires expert level knowledge and candidates should prepare extensively through textbooks, suggested readings, recent updates through websites. The expectation of examiners is to get thorough coverage of answers with relevant facts to support. Candidates should not be satisfied with surface knowledge to pass the examination. Candidates are advised to read Charter secretary Journal, various decided case laws etc.

(9.3) INSURANCE LAW AND PRACTICE

The overall performance of the candidates in this paper was found to be good. The candidates were able to give proper answers with applying logic and analyse the facts as desired.

Being an open book examination the candidates should develop their skills of critical and creative thinking. The candidates should aim for concise, accurate, thoughtful answers that are based on facts and circumstances and logical writing by quoting appropriate case study, judgement, and examples etc. It is suggested that the candidates should visit the website of IRDAI, Insurance Institute of India (III), NIA (Pune), Monthly journals and newsletters issued by them to get updates on the latest updates, case study, judgements etc.

(9.4) INTELLECTUAL PROPERTY RIGHTS- LAW AND PRACTICE

The overall performance of the candidates in this paper was satisfactory. Candidates are advised to practice solving case studies and critically evaluate the questions asked in case studies. They are advised to base their arguments on the basis of latest decided cases in this

area. Sound legal reasoning and specific answers were not given by many candidates while dealing with questions based on problems. The presentation skills were also not up to the mark.

Question No. 1 was satisfactorily answered by majority of the candidates. Performance in Question No. 2(a) was average, where in the candidates gave general explanations of the legal aspects. In Question No. 2(b) the performance was good. In Question No.3, 4 and 5 the performance was good. In Question No. 6 the performance was just average as most of the candidates could not differentiate between design and copyright.

Candidates should prepare thoroughly for the subject for which open book examination is conducted. They should sharpen their professional skills and develop their creative thinking, problem solving, and decision making capacity as well as deeper understanding of the subject. They should have a view point while studying and should be able to express their views and points clearly. For open book examination it is more essential to understand the basic concepts and critically analyze the facts, which require lots of practice.

The subject requires expert level knowledge and candidates should prepare extensively through textbooks, suggested readings, recent updates through websites. The expectation of examiners is to get thorough coverage of answers with relevant facts to support. Candidates should not be satisfied with surface knowledge to pass the examination. In-depth knowledge is required to tackle the application oriented questions. They are expected to read Chartered Secretary and other relevant journals apart from the study material.

(9.5) INTERNATIONAL BUSINESS- LAWS AND PRACTICES

Candidates should prepare thoroughly for the subject for which open book examination is conducted. The subject requires expert level of knowledge and candidates should prepare extensively through textbooks, suggested readings, recent updates through websites, relevant magazines, bulletins etc. the candidates should study critically and analytically. They should have a view point while studying and should be able to express their views and points clearly.

Performance was below average in Question No. 1(a). Many candidates did not know how to handle a case study. Candidates are advised to practise solving case studies and critically evaluate the questions asked in case studies. In Question No. 2, 3 and 4 performance was average. However candidates are suggested to read the question properly and give to the point answer rather than reproducing from the text books. In Question No. 5 candidates were not

aware of recent initiatives taken by the government and they were not able to critically analyse situations. In an open book examination, candidates are expected to give facts and figures and also explain their implications. In Question No. 6 performance was average.

For open book examination it is more essential to understand the basic concepts and analyse the facts which requires lots of practice. Writing answers neatly in good eligible handwriting and presenting them point wise with headings, tables and graphs wherever possible shows professionalism on the part of candidates and is very crucial in fetching good marks.
