

PROFESSIONAL PROGRAMME

COMPLIANCE MANAGEMENT, AUDIT & DUE DILIGENCE

Compliance management is the method by which corporate manage the entire compliance process with the help of check list of compliance calendar. It includes compliance program, compliance audit, compliance report etc. In other words it is called compliance solution. Secretarial Audit and Compliance Management are the routine tools for effective governance. Compliance Management is into a corporate system to avoid non-compliances and the Secretarial Audit is carried out on periodical basis by an independent professional.

Secretarial Audit is a process to check compliance under the provisions of various laws and rules/ regulations/ procedures applicable to organization. It is conducted by an independent professional to ensure that the company has complied with the appealable legal and procedural requirements and has also followed the due process. It is essentially a mechanism to monitor compliance with the requirements of stated laws.

Due diligence is a pre-emptive tool to assess a business transaction. Due diligence is an investigative process for providing the desired comfort level about the potential investment and to minimize the risks such as hidden uncovered liabilities, poor growth prospects, price claimed for proposed investment being on higher side etc., In general, due diligence process is based on transaction.

This study material is published to aid the students in preparing for the paper on Compliance Management, Audit & Due Diligence of Professional Programme. It is part of the educational kit and guide the students step by step through each phase of preparation while emphasizing on key concepts, principles, comprehending, integrating and advising to resolve complex issues case studies and decision making.

Company Secretaryship being a professional course, requires the examination standards to be set very high, with emphasis as expert of concepts, applications, procedures and case laws, for which sole reliance on the contents of the study material may not be enough. Besides Company Secretaries Regulations, 1982 it requires the students to be conversant with the amendments in the laws made upto six months preceding the date of examination. This study material may therefore be regarded as basic material and must be read along with the respective amendments in the Act, Rules, Regulations, Order, Circulars, Clarification notified by the Central Government or issued by the respective Regulators.

The coverage of subject is “Hybrid” in nature which requires integrated application of several Core / Ancillary areas or references of the other subjects included in the ICSI Syllabus. This study material has covered such topics to a limited context. The students are advised to refer the relevant topics from the Bare Acts, Rules & regulations and study material of the respective subjects or from the publications such as ICSI Auditing Standards, guidance note on Secretarial Audit, Annual Secretarial Compliance Audit, Peer Review, Quality review etc., referencer published by the ICSI.

The Study Material is divided in two parts covers in the details the concepts of Compliance Management in Part – I and Audit & Due Diligence in detail under Part-II.

The legislative changes made upto May 31, 2023 have been incorporated in the study material. In addition to study material students are advised to refer to the updations at the Regulator’s website, supplements relevant for the subject issued by ICSI and ICSI Journal Chartered Secretary and Other publications. Specifically, students are advised to read “Student Company Secretary” e-Journal which covers regulatory and other relevant developments relating to the subject, which is available at academic portal <https://www.icsi.edu/student-n/academic-portal>. In the event of any doubt, students may contact the Directorate of Academics at academics@icsi.edu.

The amendments to law made upto 31st May of the Calendar Year for December Examinations and upto 30th November of the previous Calendar Year for June Examinations shall be applicable.

Although due care has been taken in publishing this study material, the possibility of errors, missions and / ordiscrepancies cannot be rules out. This publication is released with an understanding that the Institute shall not be responsible for any errors, omissions and/or discrepancies or any action taken in that behalf.