

PROFESSIONAL PROGRAMME

SECRETARIAL AUDIT, COMPLIANCE MANAGEMENT AND DUE DILIGENCE

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.

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.

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 Secretarial Audit, Compliance management and 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 amendments notified up to July, 2021 have been incorporated in this study material. However, it may happen that some developments might have taken place during the printing of the study material and its supply to the students. The students are therefore advised to refer to the supplement uploaded on ICSI website from time to time and ICSI Journal Chartered Secretary and other publications for updation of study material. In the event of any doubt, students may contact the Directorate of Academics at academics@icsi.edu.

Although due care has been taken in publishing this study material, yet the possibility of errors, omissions and/or discrepancies cannot be ruled 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.

Should there be any discrepancy, error or omission noted in the study material, the Institute shall be obliged, if the same are brought to its notice for issue of corrigendum.