

# THE COMPANY SECRETARIES ACT, 1980

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# THE COMPANY SECRETARIES ACT, 1980

ACT NO. 56 OF 1980

[10th December, 1980.]

An Act to make provision for the regulation and development of the profession of Company Secretaries.

BE it enacted by Parliament in the Thirty-first Year of the Republic of India as follows:—

## CHAPTER I PRELIMINARY

**1. Short title, extent and commencement.**—(1) This Act may be called the Company Secretaries Act, 1980.

(2) It extends to the whole of India.

(3) It shall come into force on such date<sup>1</sup> as the Central Government may, by notification in the Official Gazette, appoint.

**2. Definitions and interpretation.**—(1) In this Act, unless the context otherwise requires,—

(a) “Associate” means an Associate Member of the Institute;

<sup>2</sup>[(aa) “Authority” means the Appellate Authority referred to in section 22A;

(aaa) “Board” means the Quality Review Board constituted under section 29A;];

(b) “Companies Act” means the Companies Act, 1956 (1 of 1956);

(c) “Company Secretary” means a person who is a member of the Institute;

(d) “Council” means the Council of the Institute constituted under section 9;

(e) “dissolved company” means the Institute of Company Secretaries of India registered under the Companies Act;

(f) “Fellow” means a Fellow Member of the Institute;

<sup>3</sup>[(fa) “firm” shall have the meaning assigned to it in section 4 of the Indian Partnership Act, 1932 (9 of 1932), and includes,—

(i) the limited liability partnership as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009); or

(ii) the sole proprietorship,

registered with the Institute;]

(g) “Institute” means the Institute of Company Secretaries of India constituted under this Act;

<sup>2</sup>[(ga) “notification” means a notification published in the Official Gazette;];

<sup>3</sup>[(gb) “partner” shall have the meaning assigned to it in section 4 of the Indian Partnership Act, 1932 (9 of 1932) or in clause (q) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009), as the case may be;

(gc) “partnership” means—

(A) a partnership as defined in section 4 of the Indian Partnership Act, 1932 (9 of 1932); or

(B) a limited liability partnership which has no company as its partner;]

1. 1st January, 1981, *vide* notification No. S.O. 989(E), dated 27th December, 1980, *see* Gazette of India, Extraordinary, Part II, sec. 3(ii).

2. Ins. by Act 8 of 2006, s. 2 (w.e.f. 8-8-2006).

3. Ins. by Act 4 of 2012, s. 2 (w.e.f. 8-1-2012).

(h) “prescribed” means prescribed by regulations made under this Act;

(i) “President” means the President of the Council;

(j) “Register” means the Register of members of the Institute maintained under this Act;

<sup>1</sup>[(jj) “sole proprietorship” means an individual who engages himself in the practice of the profession of the company secretaries or offers to perform services referred to in clauses (b) to (f) of sub-section (2);]

<sup>2</sup>[(ja) “specified” means specified by rules made by the Central Government under this Act;

(jb) “Tribunal” means a Tribunal established under sub-section (1) of section 10B;];

(k) “Vice-President” means the Vice-President of the Council;

(l) “year” means the period commencing on the 1st day of April of any year and ending on the 31st day of March of the succeeding year;

(m) words and expressions used herein and not defined but defined in the Companies Act shall have the meanings respectively assigned to them in that Act.

(2) Save as otherwise provided in this Act, a member of the Institute shall be deemed “to be in practice” when, individually or in partnership with one or more members of the Institute in practice or in partnership with members of such other recognised professions as may be prescribed, he, in consideration of remuneration received or to be received,—

(a) engages himself in the practice of the profession of Company Secretaries to, or in relation to, any company; or

(b) offers to perform or performs services in relation to the promotion, forming, incorporation, amalgamation, reconstruction, reorganisation or winding up of companies; or

(c) offers to perform or performs such services as may be performed by—

(i) an authorised representative of a company with respect to filing, registering, presenting, attesting or verifying any documents (including forms, applications and returns) by or on behalf of the company,

(ii) a share transfer agent,

(iii) an issue house,

(iv) a share and stock broker,

(v) a secretarial auditor or consultant,

(vi) an adviser to a company on management, including any legal or procedural matter falling under the Capital Issues (Control) Act, 1947 (29 of 1947), the Industries (Development and Regulation) Act, 1951 (65 of 1951), the Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), any of the rules or bye-laws made by a recognised stock exchange, the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), the Foreign Exchange Regulation Act, 1973 (46 of 1973), or under any other law for the time being in force,

(vii) issuing certificates on behalf of, or for the purposes of, a company; or

(d) holds himself out to the public as a Company Secretary in practice; or

(e) renders professional services or assistance with respect to matters of principle or detail relating to the practice of the profession of Company Secretaries; or

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1. Ins. by Act 4 of 2012, s. 2 (w.e.f. 8-1-2012).

2. Ins. by Act 8 of 2006, s. 2 (w.e.f. 8-8-2006).

(f) renders such other services as, in the opinion of the Council, are or may be rendered by a Company Secretary in practice;

and the words “to be in practice”, with their grammatical variations and cognate expressions, shall be construed accordingly.

## CHAPTER II

### INSTITUTE OF COMPANY SECRETARIES OF INDIA

**3. Incorporation of the Institute.**—(1) All persons whose names are entered in the Register of the dissolved company immediately before the commencement of this Act and all persons who may hereafter have their names entered in the Register to be maintained under this Act, so long as they continue to have their names borne on the Register to be maintained under this Act, are hereby constituted a body corporate by the name of the Institute of Company Secretaries of India and all such persons shall be known as members of the Institute.

(2) The Institute shall have perpetual succession and a common seal and shall have power to acquire, hold and dispose of property, movable or immovable and shall by its name sue or be sued.

**4. Entry of names in the Register.**—(1) Any of the following persons shall be entitled to have his name entered in the Register, namely:—

(a) any person who immediately before the commencement of this Act was an Associate or a Fellow (including an Honorary Fellow) of the dissolved company;

(b) any person who is a holder of the Diploma in Company Secretaryship awarded by the Government of India;

(c) any person who has passed the examinations conducted by the dissolved company and has completed training either as specified by the dissolved company or as prescribed by the Council, except any such person who is not a permanent resident of India;

(d) any person who has passed such examination and completed such training, as may be prescribed for membership of the Institute;

(e) any person who has passed such other examination and completed such other training without India as is recognised by the Central Government or the Council as being equivalent to the examination and training prescribed under this Act for membership of the Institute:

Provided that in the case of any person belonging to any of the classes mentioned in this sub-section who is not permanently residing in India, the Central Government or the Council may impose such further conditions as it may deem to be necessary or expedient in the public interest.

(2) Every person belonging to the class mentioned in clause (a) or clause (b) of sub-section (1) shall have his name entered in the Register without the payment of any entrance fee.

<sup>1</sup>[(3) Every person belonging to any of the classes mentioned in clauses (c), (d) and (e) of sub-section (1) shall have his name entered in the Register on application being made and granted in the prescribed manner and on payment of such fees, as may be determined, by notification, by the Council, which shall not exceed rupees three thousand:

Provided that the Council may with the prior approval of the Central Government, determine the fee exceeding rupees three thousand, which shall not in any case exceed rupees six thousand.].

(4) The Central Government may take such steps as may be necessary for the purpose of having the names of all persons belonging to the classes mentioned in clauses (a) and (b) of sub-section (1) entered in the Register at the commencement of this Act.

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1. Subs. by Act 8 of 2006, s. 4, for sub-section (3) (w.e.f. 8-8-2006).