

1. Appointment (Appointed by means of Board Resolution)

2. (Communication to previous auditors; ICSI made it mandatory to communicate in writing)
3. Acceptance: He has confirmed by mail.
4. Preliminary survey: Know the general operation.
5. Preliminary meeting: Fair idea what expected from audit and manner of audit.
6. (Audit plan) staff briefing: Describe roles, responsibilities and staff is properly trained.
7. Testing Interview/analysis: Review functioning of internal control.
8. Working papers: used to express auditor's opinion.
9. Audit summary: findings are summarized by the auditor.
10. Report Submission: MR-3 (Opinion of auditor regarding compliance).

PROCEDURE

SECRETARIAN

AUDIT

Audit of non financial aspect

Principle: Prevention is better than cure rather than post-mortem

Who conduct: **Company Secretary**
Holding Certificate of Practice

Applicability of Secretarial Audit

NOTE: Also applicable to private company which is subsidiary to public com.

Applicability under SEBI LODR

Listed Entity, material unlisted subsidiary

FORMAT OF AUDIT REPORT

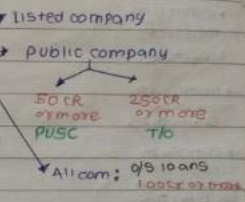
Form MR-3
Report shall be attached to Board Report

BENEFITS

- non compliance leads heavy fines
- Audit helps if any risk exist mitigation activities can be done
- goals & objectives of com are achieved
- RISK of non compliance include:
 - Failure to obtain prior approval
 - Failure to comply with law
 - Failure to comply with Finv law
 - Failure to keep accurate records

Aggregate value of PUSC + FR after deducting losses, deferred Revenue, expenditure

Sec 204



PROFESSIONAL RESPONSIBILITY

Section 448 and Section 447

IF Doc made by any person is False omit any fact

Liable under Sec 447

IF Fraud involve 1% of T/O or 10L

5m - 10yr (I) or 3 times involved and involved

Section 204

Penalty: 2 Lakhs

Companies Secretaries Act, 1980

1st Schedule, 2nd Schedule

- Reprimand
- Removal of name
- Fine: 2 Lakhs
- 5 Lakhs
- Reprimand
- Permanently

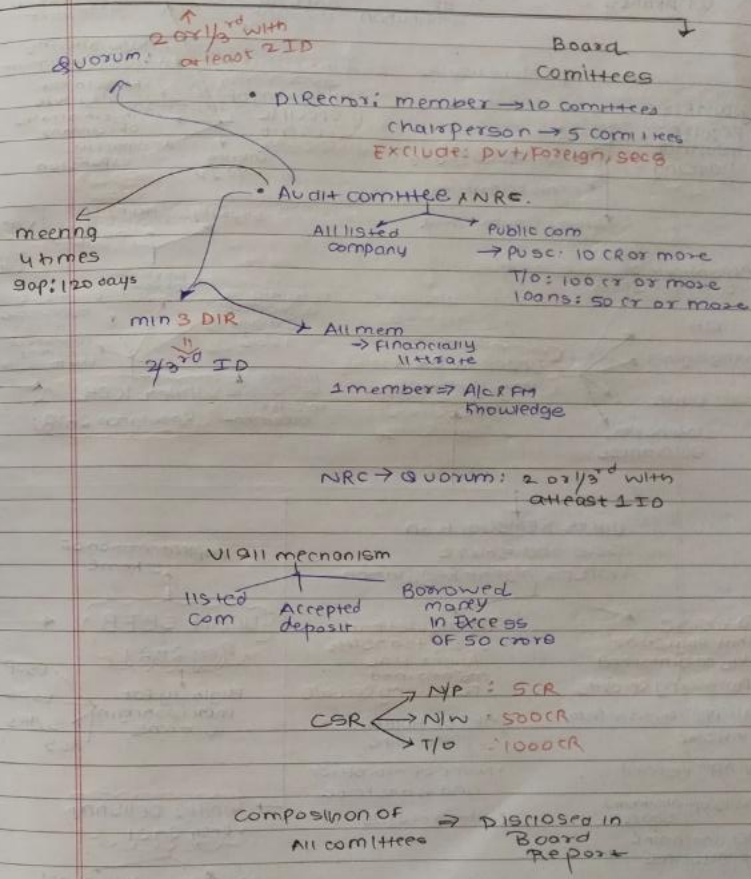
Holding Company

control
Composition of Director control 50% of voting power

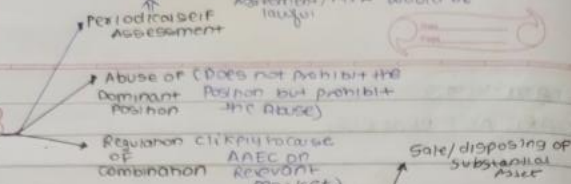
material
Whose income/ net worth exceed 10% of consolidated income/net worth

**RELATING TO
CONSTITUTION OF BOARD AND PROCESS**

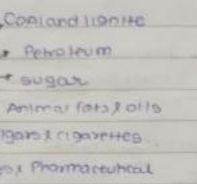
- Board Constitution**
- minimum number of DIRECTORS
 - maximum number of DIRECTORS
 - optimum combination of Exe & Non Exe DIRECTOR
 - Appointment of women DIRECTOR
 - chairperson of Board
 - I.D (Independent)
 - N.D (Nominee)
 - A.D (Associate)
 - Removal
 - Resignation
 - sitting fees
- Board PROCESS**
- First meeting → 30 days
 - 4 meeting in Year
 - max gap : 120 days
 - Notice to be given 7 days before meeting
 - shorter notice : can be called with presence of one independent Director
 - Audio visual facility
 - Quorum : 2 or 1/3rd (whichever)
- Meeting** → I.D
- ↓
- once in Year
- ↓
- To Evaluate Performance of other
- Disclosure → MBP-1
 - ↓
 - 1st meeting of Board
 - All RPT → prior approval
 - Minutes : Maintained
 - BoD periodically reviews all the laws applicable
 - omnibus approval by audit committee
 - SS1 & SS2 complied



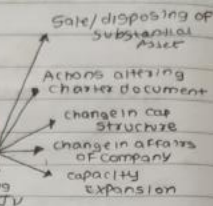
COMPETITION LAW COMPLIANCES



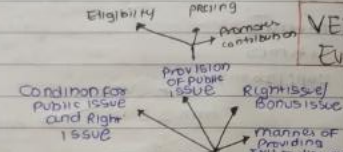
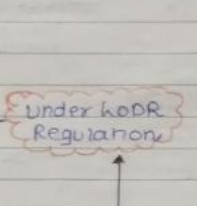
INDUSTRIES REQUIRE INDUSTRIAL LICENSING



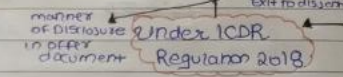
Reporting of Specific Event



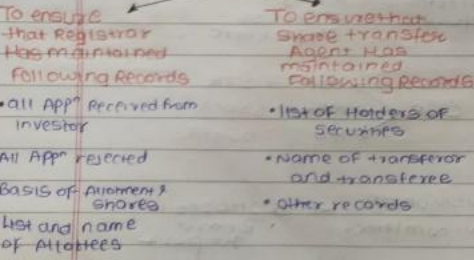
Under LODR Regulation



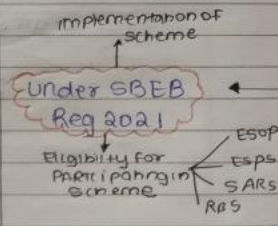
Under ICDR Regulation 2018



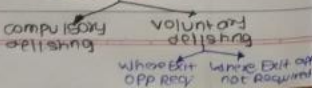
Under Registration Issue and share transfer agent Regulation



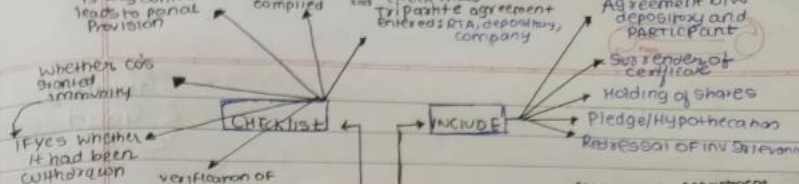
Under SBEB Reg 2021



Under Delisting Regr 2021

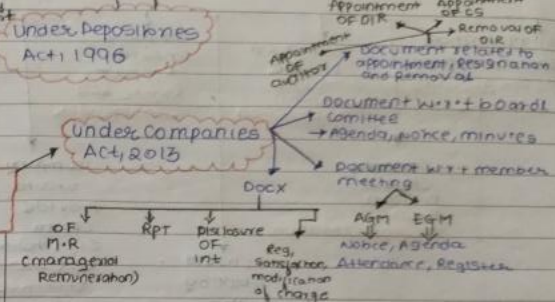


CHECKLIST

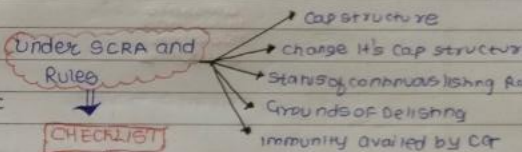


Under Depositories Act 1996

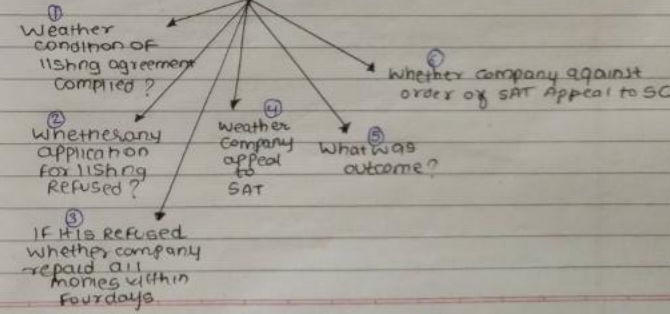
Under Companies Act 2013



Under SCRA and Rules



CHECKLIST



Guiding Good Corporate Conduct AND Principle of CORPORATE CONDUCT PRACTICES

