

*Roll No.* .....

*Time allowed : 3 hours*

*Maximum marks : 100*

*Total number of questions : 6*

*Total number of printed pages : 5*

*NOTE : Answer ALL Questions.*

## **PART-I**

1. (a) You are the Company Secretary of the newly formed company Star Infrastructure Ltd. Your chairman has asked you to prepare a compliance chart. What are the various points you would mention in the compliance chart ?
- (b) Differentiate Physical Data Room and Virtual Data Room.
- (c) Murthy, an Indian resident and citizen of India, has incorporated one person company under the Companies Act, 2013 at Mumbai with a paid up share capital of ₹ 40 lakh. During the financial year 2021-22, turnover of the company was ₹ 1.35 crore. The director of this company has asked the Company Secretary about holding of board meetings, notice and quorum of board meetings and appointment of auditor. Explain the applicable section, rule and compliances for these matters.
- (d) Ashok, the Managing Director (MD) of XYZ Ltd., has observed that some confidential information has leaked in the company. MD has called the Company Secretary and asked him to prepare Standard Operating Procedure (SOP) for protecting the confidential information. Suggest the matters for inclusion in the SOP.

*(5 marks each)*

*Attempt all parts of either Q. No. 2 or Q. No. 2A*

2. (a) Who is a registered owner of shares of a company ? Is registered owner different from beneficial owner ?  
What are the declarations to be filed by the registered owner/beneficial owner to the company ?  
Is the company required to take any action, if such a declaration is received ?
- (b) What is a cyber fraud ? What is the difference between Phishing and Vishing ?
- (c) Who is a Customer under Know Your Customer (KYC) ?
- (d) Den Ltd. had a paid up share capital of ₹ 275 crore in the previous year 2021-22. Explain how a Practicing Company Secretary can prepare himself for such a big assignment before undertaking the work relating to pre-certification so that the chances of incorrect certification will not be there.

(5 marks each)

*OR (Alternate Question to Q. No. 2)*

- 2A. (i) Your client wants to set up a Bio-technology unit in Bengaluru. Describe the details of specific laws applicable to a Bio-technology industry.
- (ii) What are the various risks a company may face for non-compliance of law ?
- (iii) Why are the following registers maintained in a company and under what rules ?  
CHG-7, MGT-2, MBP-3, SH-3, PAS-5.
- (iv) Illustrate the list of KYC documents to be submitted in respect of a Hindu Undivided Family (HUF).

(5 marks each)

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**PART-II**

3. (a) What do you understand by Social Audit ? State the implications of Social Audit.
- (b) Beeta Ltd., where you are the Company Secretary, has got listed in BSE and NSE recently. The company has not constituted an audit committee of the board yet. Advise the company about requirement and constitution of audit committee as per the Companies Act, 2013.
- (c) TQP Ltd. wants to amalgamate with the company RZP Ltd. As a Practising Company Secretary, explain about preparing the scheme of amalgamation and its contents.

*(5 marks each)*

4. (a) Explain the concepts of Integrity and Conflict of interest.
- (b) “The Peer reviewer is expected to examine the office systems and procedures with regard to compliance of attestation services provided by a practice unit.” Comment.
- (c) Distinguish between Audit Plan and Audit Programme.
- (d) State key differences between Ethics and Values.
- (e) Explain reporting of specific event under Secretarial Audit Report.

*(3 marks each)*

5. (a) S Ltd. appointed M & Co., Chartered Accountants, as statutory auditors for the financial year 2021-22. During the audit, the statutory auditors have noticed fake and duplicate expenses reimbursement of ₹ 1.10 crore to the directors of the company. In this situation, explain the procedure to be adopted by the auditors for reporting of fraud.

*(5 marks)*

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- (b) Indicate the scope of secretarial audit, which should be taken into consideration by a Practising Company Secretary, to examine and report the compliance of various laws/regulations as specified in the form MR-3, for submission in Secretarial Audit Report.

(5 marks)

- (c) DEF Ltd. has to appoint the internal auditor for the financial year 2022-23. The company called a board meeting on 28th April, 2022 to appoint the internal auditor, but due to non-finalisation of audit firm, the Board of directors deferred the matter of appointment of internal auditor for next board meeting. Subsequently, the company has finalized the proposal of a practising Chartered Accountants firm for appointment as internal auditor. Now, in view of urgency, the directors of the company want to appoint the internal auditor by passing a resolution by circulation. Examine whether the appointment of internal auditor in this manner is permissible under the Companies Act, 2013.

(5 marks)

*Attempt all parts of either Q. No. 6 or Q. No. 6A*

6. (a) Claton Ltd., a Mumbai based company, started a make shift hospital in Mumbai suburbs to provide temporary Covid care facilities, which include creating health infrastructure for Covid care, establishment of medical oxygen plants etc. Can these expenditures qualify for Corporate Social Responsibility (CSR) spending ? What are the government guidelines in this regard ?

(5 marks)

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(b) 'The audit process can be broadly grouped in three phases'. Prepare a note to substantiate the statement.

(5 marks)

(c) Under what circumstances, the auditor should express modified opinion ? Explain.

(5 marks)

**OR (Alternate Question to Q. No. 6)**

**6A.** (i) Elucidate the term 'Emphasis of matter' giving suitable examples.

(ii) SJ has started working in a practicing company secretary firm as a trainee. Explain to him about Current Audit File and its contents.

(iii) How the evaluation of internal audit function can be helpful to the secretarial auditor in performance of his duties ? Describe.

(5 marks each)

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