

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 7

NOTE : Answer ALL Questions.

PART-I

1. (a) ABC Private Ltd. requires to conduct a Board meeting in 5 days to transact an urgent business. You are the Company Secretary in Practice (PCS) of the company. The company seeks your advice in this regard, on conducting the Board meeting and the validity of the decisions taken in such meeting. Assume that it doesn't have any independent director on Board. Advise.

(5 marks)
- (b) A strong compliance training and education program reinforces the company's compliance culture. In the light of the above statement, you are asked to give a "Compliance Education and Training Program" for the employees of Z Ltd. stating five suitable points which must be included in your above plan. Explain.

(5 marks)
- (c) ABC Ltd. a listed company has been facing much litigation, before various legal and regulatory authorities, for a long time. Many documents have been produced in this regard, before various authorities. These documents are having overlapping effect of such production i.e. the same document(s) is to be produced before various authorities. In this situation, advise the company regarding the preservation of documents relevant to the various litigations, specifically with reference to the period of preservation.

(5 marks)

: 2 :

- (d) You as a Company Secretary in Practice (PCS) are asked by the Managing Director of a client company to explain the need for Compliance Management in his company. Explain.

(5 marks)

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

2. (a) ABC Ltd. a listed company, maintains all its documents, records, registers and minutes in electronic form. A shareholder requests the company to inspect as well as get copies of the AGM minutes held in 2022, in electronic form. The company has 2,500 shareholders, debenture holders and other security holders.

- (i) Advise the company whether this can be allowed to the shareholder.
(ii) If the company is an unlisted company, whether the shareholder is eligible to inspect and get the copies of the minutes in electronic form.

(5 marks)

- (b) You are the Company Secretary in Practice (PCS) of XYZ Ltd. a section 8 company. The company informs you that it wants to give a guarantee in a 10 days' time, of loans borrowed by a third party, for which a Board resolution is needed. The company has 9 directors but none of them is available to attend the meeting for next 25 days either physically or through any other audio-visual means, though all of them are in favour of the proposal. No specific authority is given by the Board of the company in this regard to anyone. The company approaches you for your advice. Advise.

(5 marks)

: 3 :

(c) ABC Ltd. is planning to merge with XYZ Ltd. which is listed in BSE and NSE. It approaches X to provide a search report on the information of XYZ Ltd. filed with BSE and NSE.

- (i) State the possibility of providing such a Search Report to ABC Ltd.
- (ii) Is the web-site of SEBI supportive in this regard ?
- (iii) Indicate at least six documents/information of listed companies, which are available in the public domain of the Stock Exchanges for due-diligence and analysis purposes to equip for providing the Search Report.

(5 marks)

(d) X, a member of the Institute of Company Secretaries of India (ICSI) is working as a whole-time Company Secretary in an Indian company. He provided some confidential information of his employer company to a multinational company on his own and received a fee. Citing the relevant provisions, state whether X can accept such fee.

(5 marks)

OR (Alternate Question to Q. No. 2)

2A. (i) During the process of preparing the Form No. MGT-8 and Form No. MGT-7, for ABC Ltd. X, the PCS felt that there are some anomalies in information, which may need a reservation/qualification. How can X ensure the execution of the assignment as per the norms ?

(5 marks)

: 4 :

(ii) ABC Ltd. a section 8 company has been incorporated on 15th April, 2013, with 19 directors in its Board. The first Board meeting was held on 13th May, 2013 with 7 directors as quorum.

(a) The company had approached you to advice on the validity relevant to the quorum and the date of its first Board meeting. Advise.

(b) Also advise the company in deciding the date of the next Board meeting.
(5 marks)

(iii) ABC Private Ltd. a company incorporated with a paid-up capital of ₹ 8 crore wants to appoint a full-time Company Secretary. The company seeks your advice as its PCS regarding the nomenclature of designation, to be fixed for such appointment, such as Key Management person or otherwise. Advise.

(5 marks)

(iv) Explain each of the following terms :

(a) Digital KYC

(b) Equivalent-e-Document.

(5 marks)

PART-II

3. (a) (i) Opening of an Escrow Account is mandatory in certain corporate actions. State the forms in which an Escrow Account can be maintained as per SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for settlement in the course of corporate actions.

(2 marks)

(ii) State the major points of coverage in the process of FEMA due diligence.

(3 marks)

: 5 :

- (b) You are in the process of doing due diligence of ABC Ltd. a listed company on an assignment.
- (i) How will you check the correctness of the Constitution of the Board, based on the status (executive/non-executive) of the Chairperson.
(3 marks)
- (ii) You want to ensure yourself that the company is consistently striving to stick to Shareholder Value Enhancement. Mention any four parameters which you shall check in this regard.
(2 marks)
- (c) Explain the High Power Advisory Committee (HPAC) of SEBI, constituted under New Settlement Regulation by SEBI and the provisions relevant to recusal by its members.
(5 marks)
4. (a) Explain Social Stock Exchange.
- (b) Explain the procedure in case a person seeking appointment as a Director of a company is a national of a country which shares land border with India and consequence of non-compliance in this regard.
- (c) Explain the relevant provisions for giving an intimation of receiving foreign funds from relatives under Foreign Contribution (Regulation) Amendment Rules, 2022.
- (d) Explain the provisions relating to the physical verification of a registered office of the company by the Registrar of Companies (ROC).
- (e) Outline various factors that are considered by an Auditor for deciding the audit fee. What precaution the auditor should keep in this regard ?
(3 marks each)

: 6 :

5. (a) How will you appraise each of the following as an internal auditor :
- (i) Management decisions
 - (ii) Investment Decisions.
- (b) The Audit plan describes the processes and activities that are to be carried out in connection with a particular audit and for improving the quality of audit. For an effective audit, the availability of resources and skilled manpower is required. In view of above, mention the elements to be included in audit planning.
- (c) Explain the cyber audit and its scope.

(5 marks each)

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

6. (a) The Auditor's Report shall include a section with heading "Auditor's Responsibility". In this context explain the Auditor's Responsibility.
- (b) Explain the common causes of Loss of Ethics and Values.
- (c) Explain various points the Auditor should go through while conducting the audit relating to each of the following :
- (i) Audit Committee
 - (ii) Nomination and Remuneration Committee
 - (iii) Stakeholder Relationship Committee

(5 marks each)

: 7 :

OR (Alternate Question to Q. No. 6)

- 6A.** (i) X has been appointed as the Peer Reviewer of AB LLP, by the Quality Review Board. Disputes arose between X and AB LLP, on the process and conclusions reached during the process of review. Explain the remedy points on the dispute for referrals to the ICSI. (5 marks)
- (ii) Labour Law Audit ensures a win-win situation to all the stakeholders. Enumerate the benefits of Labour Law Audit to various stakeholders. (5 marks)
- (iii) (a) As a Secretarial Auditor, state the activities which you shall concentrate during audit relevant to the SEBI (Share Based Employee Benefits) Regulations, 2014. (3 marks)
- (b) If a company is required to Buy-back its shares, indicate the sources for getting such shares, as per the SEBI (Buy-back of Securities) Regulations, 2018. (2 marks)

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