

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 11

NOTE : Answer ALL Questions.

PART-I

1. (a) (i) What will be the last date up to which, the Statement of Account and Solvency, for the financial year 2023-24 of Limited Liability partnership, should be filed with the Registrar, as per Section 34(3) read with subrule (4) Rule 24 ?
- (ii) Rangoli Ranjan Portfolio LLP was incorporated on November 21, 2023. What will be the last date of filing for its First Annual Return, in Form no. 11, with the Registrar ?
- (iii) Anuradha Vajpayee, practicing Company Secretary, having 12 years of experience, has passed the Limited Insolvency Examination of IBBI on January 18, 2024 and she has also completed her Pre-registration educational course on October 30, 2024. She applied on February 01, 2025 for the enrolment with the Insolvency Professional Agency of IBBI. She was denied the registration by the IPA of IBBI. State the reasons for such denial.

(2+2+1=5 marks)

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- (b) Compliance risk monitoring makes it possible for the business to test if risk mitigation activities are working properly and to identify new or changed risks. The plan for monitoring must be documented and reviewed and, if necessary and must be updated annually and more frequently based on other framework activities and monitoring results. State the methodology that may be adopted for accessing the compliance mechanism of the company.

(5 marks)

- (c) “There is no mandatory minimum paid-up capital requirement for One Person Company. One Person Companies are exempt from compliance under CARO, reducing the auditor’s reporting requirements. The financial statements can be signed by just one director, instead of needing multiple signatures in an OPC.” Discuss this statement in the context of exemptions available to OPC and also state the compliance requirements which are not required to be followed by One Person Company.

(5 marks)

- (d) State the applicability of Personal Data Protection Bill, 2019 and what are the rights of an Individual and what are the obligations of Data Fiduciary under this Bill.

(5 marks)

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

2. (a) Elucidate the mode in which the Newspaper Advertisements are required to be given/ published by the private companies under the provision of Companies Act, 2013 in respect of the following purpose :

- (A) Acceptance of Deposits.

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- (B) Voting through Electronic means.
- (C) Closure of Register of Members or debenture holders, Shareholders or other Security holders.
- (D) Quorum at the meeting.
- (E) Application for Grant of License under section 8 by existing company.

(1×5=5 marks)

(b) Explain various records to be verified for each of the following item :

- (i) Main Objects of the company.
- (ii) Address of Registered Office.
- (iii) List of Member with details as to shares held by each of them.
- (iv) Corporate Identity Number/Company number.
- (v) Paid-up capital of the company divided into Shares of ₹ each.

(1×5=5 marks)

(c) The companies are required to prepare a policy statement relating to the preservation of its documents and archival of documents in the website. List out the factors that need to be considered in the preparation of the preservation and archival policy of the company.

(5 marks)

(d) “Certificate under section 65-B (4) cannot be secured by persons who are not in possession of an electronic device” is wholly incorrect. An application can always be made to a Judge for production of such a certificate.

Discuss this statement under the context of famous case of Arjun Panditrao Khotkar vs. Kailash Kushanrao Gorantayal and Ors (Supreme Court of India dated 14.07.2020).

(5 marks)

OR (Alternate Question to Q. No. 2)

- 2A.** (i) Pramod Mehta, Practicing Company Secretary is having expertise in managing regulatory compliances under GST. He provides guidance and advisory services to his business entities to interpret GST laws & also renders value added services. He manages the tax planning, maintenance of GST records, drafting legal documents, impact analysis etc of XYZ Limited. Due to his expertise, he was being offered GST audit from one of his relative's friends. He comes to you for advice that whether he should accept this assignment or not. Kindly advise him in context of role and advisory services given by the Company Secretaries.
- (5 marks)
- (ii) As per Companies (Appointment and Qualification of Directors) Rules, 2014, every individual who holds a Director Identification Number (DIN) as on 31st March of a financial year, has to submit DIR-3- KYC for the said financial year to the Central Government. Comment on this statement and discuss about the applicability of DIR-3 KYC, its due date, its prerequisite and certifications, and if any DIN is deactivated then what is the procedure to activate it ?
- (5 marks)
- (iii) An informed investor is more precious than the investment. Investors provide the much-needed capital, which combined with entrepreneurial skills, results in successful corporate. These corporates provide goods and services, employment

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and fuel economic growth. Therefore, it is very important that investors are educated, enlightened and well informed to be able to take sound investment decisions and to protect their interests. Explain the role of a Company Secretary in Investor Education and Protection, as well as role in Board development of the company.

(5 marks)

- (iv) K was appointed as a Company Secretary of FGH Ltd. a newly established company, manufacturing toys. Its Annual Return was filed 3 months after the date of AGM with ROC. Management of FGH Ltd. was of view that signing of the annual return as per section 92(1) is to be done by the Company Secretary in Practice and not by the Company Secretary who was employed. Management was in a dilemma as what to do, guide them for all the following confusions :

- (i) The return to be filed with ROC in how many days from the date of AGM.
- (ii) If in any year AGM is not held, then when to file the return ?
- (iii) Signing of the annual return as per section 92(1) to be done by whom ?
- (iv) Whether annual return to be reviewed/verified by a different professional before it is certified.
- (v) Whether non-filing of Annual Return is compoundable offence.

(5 marks)

PART-II

3. (a) (i) In appreciation of good services, Mohan Lal head of finance, has received an email regarding granting of 1000 ESOP (Employee Stock Option Plan) from XYZ Ltd on April 10, 2024 and these shares will be vested to him on April 10, 2025 . XYZ Ltd has disclosed his Annual financial result on 25 April, 2024. Now, advise whether this transaction of 1000 shares of XYZ Ltd. to Mohan Lal (Designated person) will come under the preview of Insider Trading as per SEBI Regulations ? And which date will be the opening date of Trading window closure period of the company, for the quarter and financial year ending on March 31, 2024 ?
- (2 marks)
- (ii) Who will be approving authority for trades done by the Rohan Lal, Compliance Officer or his immediate relatives, as Insiders as per SEBI (Prohibition of Insider Trading Regulations, 2015) ?
- (1 mark)
- (iii) Up to which date, the company must have received Initial Disclosure regarding securities held by Rudra Pratap, on his Appointment of Key Managerial Person, as per SEBI (Prohibition of Insider Trading) Regulations, 2015. He was appointed as KMP on March 17, 2025.
- (1 mark)
- (iv) Up to which date, XYZ Ltd. will notify the particulars of such disclosure of Rudra Pratap to the stock exchange(s) on his appointment as KMP on March 17, 2025 ?

(1 mark)

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- (b) Money Bank was considered as one of the most stable and reputable banks. Its reputation took a severe hit when the Bank's "Hit your Six" strategy encouraged employees to sell six accounts per customer, whether needed or not. Branch employees were under constant pressure to meet daily sales targets, sometimes facing termination if they failed. The bank's aggressive sales culture, to meet unrealistic sales targets, led employees to create millions of fraudulent accounts without customer consent, including checking & savings accounts, online banking services, unauthorized bill payments, credit cards. Employees used forged signatures, fake email addresses, and fraudulent PIN numbers to register these accounts. Many customers were unknowingly charged fees for accounts they never requested. The whistle blowers were also ignored and fired when they reported unethical practices.

There is great importance of internal audit in ensuring financial integrity, compliance, and risk management. Since the objectives of Internal audit were not followed by the bank, hence it failed to identify, detect and prevent the creation of millions of unauthorized customer accounts fraud for years.

Elucidate through review and appraisal of what factors, the main objective of the internal audit process, to provide an assurance on the organization's risk management, internal control environment and governance framework can be achieved.

(5 marks)

- (c) Enumerate the illustrative list of the compliance requirement under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

(5 marks)

4. (a) Explain the traits of an “Organisation Transparency Checklist.”
(3 marks)
- (b) State how the policy initiative taken by Indian Government, as per The Companies (Listing of equity shares in permissible jurisdictions) Rules, 2024 (January 24, 2024) to enable listing of Indian companies in GIFT-IFSC, will reshape the Indian capital market landscape and offers Indian companies, especially start-ups and companies in the sunrise and technology sectors, an alternative avenue to access global capital beyond the domestic exchanges.
(3 marks)
- (c) The Auditor should identify and report all events/actions having major bearing on the Company’s affairs/Governance in pursuance of the applicable laws, rules, regulations, guidelines, standards, all information which have bearing on performance/operation of the company or is price sensitive or affect payment of interest or dividend of nonconvertible preference shares or redemption of nonconvertible debt securities or redeemable preference shares etc. Give any six events or actions which have major bearing on Company’s affair.
(3 marks)
- (d) Sometimes due to circumstances like geographical constraints or want of expertise on any specific subject matter, an Auditor may be required to rely on the Third Party reports. What precautions should be taken by the Auditor while using the work of Third Party ?
(3 marks)

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- (e) Write briefly on Business Responsibility and Sustainability Report (BRSR) as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2023 [Regulation 34(2)(f)].

(3 marks)

5. (a) Give the Format of the Secretarial Audit Report (Form no. MR-3) as prescribed under Section 204(l) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(5 marks)

- (b) In a cyber-attack on a large IT company named Think Safe Co, all IT devices including computers, laptops, smartphones, tablets and internet network etc., were hacked and all the crucial information was accessed by hacking agency and money by illegal means was collected from various clients. Think Safe Co. suffered more than 150 crore of financial loss before the company decided to go for the audit of the system and take corrective action. Examine the type of audit that Think Safe Co. should undertake and explain its scope.

(5 marks)

- (c) (i) Sudhir Mukherjee is a Company Secretary in Practice and he certifies the Annual Return of the XYZ Ltd. otherwise than in conformity with the requirements of Section 92 regarding to Annual Return. What could be the penalty levied upon him under the Companies Act, 2013 ?

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- (ii) What could be the penalty on Ashutosh Singh, an Employee of Blue Diamond Technology Limited, as he tampered with the Minutes of proceedings of General Meeting and Board Meeting and is found guilty of tampering with the minutes of the proceedings of meeting, as per section 118 of the Companies Act, 2013.
- (iii) What could be the penalty under section 338 of Companies Act, 2013, where the Company is being Wound Up and it was discovered that proper books of account were not kept by the company throughout the period of two years immediately preceding the commencement of the winding up, or the period between the incorporation of the company and the commencement of the winding up, whichever is shorter.

(5 marks)

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

6. (a) Explain Environmental Due Diligence and List the important statutes for environment protection in India.
- (b) Auditing firm should establish policies and procedures for retention of engagement documentation for a period sufficient to meet the needs of the firm or as required by law or regulation. Comment and give the procedure that the Auditor adopts for retention of Engagement documentation.

(5 marks)

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- (c) Explain the Final Report of Reviewer under the reporting stage of the methodological approach involved in Peer Review.

(5 marks)

OR (Alternate Question to Q. No. 6)

- 6A. (i) The management of KDBC Ltd. appointed Girish as their Secretarial Auditor. What should an auditor keep in mind for the proposed audit engagement, prior to acceptance of any audit engagement, in order to establish whether the preconditions for accepting professional assignment are present. If management or appointing authority imposes a limitation on the scope of the auditor's work in the terms of a proposed audit engagement, what should an auditor do in such a situation ? Highlight the other factors affecting engagement acceptance.
- (ii) Explain the different theories and practices of Ethical Practices under the concept of Value, Ethics and Professional Conduct ?
- (iii) Explain the procession of compounding application under FEMA, 1999 and the relevance of Personal Hearing.

(5 marks each)

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