

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 6

NOTE : Answer ALL Questions.

PART-I

1. (a) A very pertinent question which arises for consideration is the extent of detailed verification that has to be resorted to before certifying the Annual Return. Being a Company Secretary, list the guiding principles which can be adopted while deciding about the extent of checking of Annual Return.
- (b) Privacy of records and its control is the most important function for the Secretarial Department of an organization. Records of Contracts and Commercial Documents and Trade Secretes are to be kept confidentially. Describe the alertness to be observed with respect to keeping of said records.
- (c) The continued adoption of web, mobile, cloud and social media technologies by the companies has increased opportunities for attackers for online frauds. Explain various types of online frauds.
- (d) Travel and Tourism Industry in India is required to implement various laws. Examine the various laws applicable to such Industry.

(5 marks each)

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

2. (a) ABC Ltd. is having a paid up capital of ₹ 1,000 crore and annual turnover of ₹ 2,500 crore. The company has asked you, as a Company Secretary in Practice, to advise it on preparation and finalization of its Compliance Management Framework. Give your advice.
- (b) Jindal Brothers has constituted a Limited Liability Partnership (LLP) under the LLP Act, 2008. There are total 3 partners in the Firm. Jindal Brothers has approached you for maintaining the various books of accounts. Being a Company Secretary, make a brief note on Section 34 read with Rule 24, as per compliance requirement, under the LLP Act, 2008.
- (c) While preparing the Search and Status Report, it is important for professionals to conduct due diligence of the intellectual property rights, as tremendous worth is associated with the intangible assets of the business. List the key areas to be analyzed while preparing such Search Report.
- (d) State the procedure of KYC of directors in Form DIR-3 and mention the consequence of non-compliance in this regard. (KYC stands for 'Know Your Customer' or 'Know Your Client').

(5 marks each)

OR (Alternate Question to Q. No. 2)

- 2A. (i) Explain the process of Compliance Risk Mitigation indicating various risks of non-compliance.

(5 marks)

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- (ii) Explain the role of a company secretary in Investor Education and Protection.
(5 marks)
- (iii) What do you mean by Good Documentation ? Give some examples of Good Documentation Practices as well as Poor Documentation Practices.
(5 marks)
- (iv) Jemez & Co. Ltd. has listed its Securitized Debt Instruments at a stock exchange. One of the directors has asked you, being the compliance officer of the company, to inform the obligations of the company regarding its Securitized Debt Instruments. Describe with reference to compliances under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
(5 marks)

PART-II

3. (a) A series of financial crimes and frauds by some of its employees is alleged by a company. It is desired to gather legally tenable evidence and to fix the negligence and responsibility within the company, before taking action in the court of law. Which type of audit will you suggest in this case ? Explain.
(5 marks)
- (b) How monitoring and evaluation of effectiveness of the Organisation's Risk Management Process is carried out through internal audit ? Describe.
(5 marks)

- (c) Explain compliances specified in the Regulation 24A regarding applicability of secretarial audit under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also state the exemptions provided from this Regulation.

(5 marks)

4. (a) Highlight inclusion of Emphasis of Matter (EOM) in an audit report.
- (b) “Working papers should be prepared using the appropriate cross referencing.” Justify.
- (c) Explain the term ‘conflict of interest’ regarding audit engagement as per the Company Secretaries Auditing Standard (CSAS)-1.
- (d) Differentiate Fine and Penalty as per the Companies Act, 2013.
- (e) What do you mean by Ethical Dilemma ?

(3 marks each)

5. (a) Write a note on establishment and functions of Quality Review Board under the Company Secretaries (Amendment) Act, 2006.

(5 marks)

- (b) “Audit as a monitoring device is essential in corporate governance also”. Substantiate the statement.

(5 marks)

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- (c) XYZ Limited has 9 directors on its Board. Registered office of the company is situated in Mumbai. 4 directors of the company reside outside Mumbai. The company held 7 board meetings during the financial year 2018-19. In all the meetings video conferencing facility was provided.

Prepare check list for verifying the compliances relating to video conferencing in relation to Notice, Quorum and the Matters not allowed through video conferencing.

(5 marks)

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

6. (a) Appraisal of management decisions involves a number of steps. Enumerate them.
- (b) Snehal Sansthan a non-profit organization registered under Section 8 of the Companies Act, 2013 is enlisted under the Foreign Contribution (Regulation) Act, 2010 (FCRA) to procure foreign money. The organization is actively engaged in development of children of slum areas of Mumbai. For this purpose the organization is getting donation of \$100K from Helping Hands, a social organization of California. As a Company Secretary in Practice, guide the organization about procurement and utilisation of this donation. Also state the due diligence and reporting requirements.
- (c) Explain the planning stage of peer review process.

(5 marks each)

OR (Alternate Question to Q. No. 6)

- 6A. (i) Describe auditing risk and its components.
- (ii) State the obligation of the auditor to maintain confidentiality regarding auditee information.
- (iii) ABC Limited is a non-compliant listed entity suspended under the Standard Operating Procedure for non-compliances under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has complied with the requisite requirements after the date of suspension but failed to pay the applicable fine. State the procedure to be followed by the recognised stock exchange for revoking the suspension of trading of its shares. Also state the consequences for failing to pay the applicable fine by the company.

(5 marks each)

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