Annual Secretarial Audit Report under Companies Act, 1956

SECRETARIAL AUDIT REPORT

The Secretarial Audit is conducted to check and make sure that the various requirements under the Companies Act, 1956 and the rules made thereunder, have been complied with by the Company. We are sure that most of the provisions of the Act, as enumerated below must have been complied with, but with a view to give a brief on secretarial audit, we are mentioning them herein. The scope of the audit is very wide and inter-alia includes the following:

In respect of Memorandum of Association:	
The objects and powers of the Company	
Alteration of Memorandum:	Whether the requirements under various provisions of the Act have been complied with in respect of alteration in any of the clauses of Memorandum.
In respect of Articles of Association:	
Articles of Association of Private Company	Whether the Articles of Association of Private Company contains the sub-clause (d) of Section 3 (1)(iii) of the Companies Act, 1956.
Alteration of Articles:	Whether the requirements under various provisions of the Act have been complied with in respect of alteration of the Articles of Association of the Company i.e. authorization by general meeting and filing of Form No. 23 with the Registrar of Companies.
In respect of Minimum Paid up Share Capital:	
Minimum Paid up Share Capital:	Whether the paid up share capital of the Company is as per the limits specified under Section 3 (1) (iii), in case of Private Company and Section 3 (1) (iv), in case of Public Company.
In respect of any Subsidiary Company or Holding Company u/s 4A	
	Various provisions of section 212 and 4A have been complied with.
In respect of relatives & interests.	
	Receive the elaborated chart on the definition of relatives and interest in other bodies corporate and firms.
In respect of Sweat Equity Shares or ESOP	
	Whether various provisions of section 79A and ESOP Compliance have been complied with.
In respect of Number and Appointment of Directors:	
Number of Directors:	Whether the Company has minimum number of Directors and / or within the maximum laid down in the Article of Association.
Appointment of Directors:	Whether the requirements for the appointment (resignation) of Directors have been complied with, for example filing of Form No. 32 & 29 etc. including confirmation

	if appointed u/s 260.
In respect of the notices u/s 305 to be received from the Directors	
Notices u/s 305 to be received from the Directors for maximum Nos. of Directorship	Whether the disclosure have been obtained from the Directors with respect to Number of Directorships within 21 days in other Companies, u /s 305 & maximum Nos. of directorship does not exceed 15 U/s 276-278
In respect of Powers of the Board of Directors:	
Powers of the Board of Directors:	Whether the provisions with respect to powers of Directors u/s 291, 292, 293 clause (a) to (d) of the Companies Act, 1956 are complied with.
In respect of Remuneration of Directors:	
Remuneration of Directors:	Whether the payment of remuneration to Directors is within the limits specified under the Act and the schedules & rules made thereunder.
In respect of Disqualification of Directors:	
Disqualification of Directors:	To check that the Directors of the Company are not disqualified under any of the clauses of Section 274 of the Companies Act, 1956.
In respect of Board Meetings:	
Number of Board Meetings:	Whether the requisite number of Board Meetings as required under section 285 of the Companies Act, 1956 and as per the terms of the loan covenants have been held.
Notices of the Board Meetings	Whether the notices in respect of each meeting were duly served to all the Directors.
Other requirements	Whether the requirements in respect of quorum, chairman, leave of absence etc. have been complied with.
Minutes of the meetings	Whether the minutes of the proceedings of the meetings have been made and duly signed.
In respect of General Meetings:	
Statutory Meeting	Notice of the meeting and statutory report in Form No. 22 have been duly sent to all the members and Registrar of Companies; andRequirements in respect of quorum, notice, preparation and signing of minutes have been complied with.
General Meetings	Whether the first AGM was held within 18 months from date of incorporation and subsequent AGMs are held in each year and the time interval between the two AGMs is not more than 15 months (18 months, if extended by the Registrar of Companies)
Notices of the General Meetings	Whether the notices in respect of said meetings were duly served to all the Members and other persons who are entitled to receive the notice.
Other requirements	Whether the requirements in respect of quorum, chairman etc. have been complied with.
Minutes of the meetings	Whether the minutes of the proceedings of the meetings have been made and duly signed
Filing of Annual Return	Whether Annual Return has been filed within

	60 days from the date of AGM
In respect of registration of charges and other allied formalities	
Charges	Whether Form No.8, 13,10 & 17 as the case may be filed with ROC and register of charges have been properly maintained.
In respect of commencement of new business	
Other Objects	Whether the business is stated in the main objects or whether section 149(2A) has been complied with.
In respect of Resolutions requiring the Special Notice:	
Resolutions requiring the Special Notice:	Whether the resolutions requiring the special notice are passed with such notice.
In respect of Board's Report:	
Board's Report:	Whether the Board has authorised the chairman or other Directors to sign the report on behalf of the Board;Whether it was duly signed and attached to the Balance Sheet; and Whether it contains specified particulars in respect of state of affairs of Company, dividend proposed, conservation of energy, technology development, foreign exchange earnings, particulars of employees etc.
In respect of Balance Sheet and Profit & Loss Account:	
Balance Sheet and Profit & Loss Account	Whether the Balance Sheet and Profit & Loss Account have been prepared in the form set out in Part I and II of the Schedule VI read with the applicable Accounting Standards.
Filing of Balance Sheet and Profit & Loss Account	Whether three sets of the Balance Sheet and Profit & Loss Account alongwith Directors ' report and Auditors' Report, Compliance Certificate thereon and notice of the AGM have been filed with the Registrar of Companies within 30 days from the date of AGM.
In respect of Copies of Balance Sheet and Auditor's Report to be sent to Members etc.:	
Copies of Balance Sheet and Auditor's Report to Members etc.:	Whether a copy of Balance Sheet and Profit & Loss Account alongwith Directors Report and Auditors' Report thereon and notice of the AGM have been duly sent to all the members of the Company.
In respect of Appointment of Managing Director, Whole time Director or manager:	
Appointment of Managing Director, Whole time Director or manager:	Whether the requirements for the appointment (resignation) of Managing Director, Whole time Director or manager have been complied with for example filing of Form No. 25C within 90 days of appointment etc.
In respect of Holding of Office or place of profit:	
Holding of Office or place of profit	Whether the requirements under section 314 of the Companies Act, 1956 have been complied with.
In respect of Loans to Directors:	
Loans to Directors	Whether the requirements under section 295 of the Companies Act, 1956 have been complied with.

In respect of Contracts in which Directors are interested and Disclosure of Director's Interest:	
Contracts in which Directors are interested and Disclosure of Director's Interest:	Whether the requirements under section 297, 299, 300 & 301 of the Companies Act, 1956 have been complied with.
In respect of Loans made, guarantees given, securities provided to or Investments made in shares of other companies:	
Loans made, guarantees given, securities provided to or Investments made in shares of other companies:	Whether the requirements under section 372A of the Companies Act, 1956 have been complied with.
In respect of Appointment and Remuneration of Auditors:	
Appointment and Remuneration of Auditors:	Whether the requirements under section 224, 224A, 225, 226 and 228 of the Companies Act, 1956 have been complied with.
In respect of Appointment of Company Secretary / Compliance Certificate from Company Secretary in Whole- time Practice:	
Appointment of Company secretary:	Whether a Company Secretary has been appointed, if required as per the provisions of section 383A of the Companies Act, 1956.
Compliance Certificate from a Company Secretary in Whole- time Practice:	Whether the Company ahs obtained a Compliance Certificate from a Company Secretary in Whole- time Practice as per the provisions of Section 383A of the Companies Act, 1956.
In respect of Further Allotment and Transfer of Shares:	
Further Allotment of Shares:	Whether the increase is within the authorised capital of the Company.Whether the requirements under section 81 of the Companies Act, 1956 have been complied with.Whether the other requirements in respect of filing of Form No. 2 etc. have been complied with.
Transfer of Shares:	Whether the provisions under section 108 to 112 of the Companies Act, 1956 have been complied with.
In respect of Buy Back of Shares:	
Buy Back of Shares:	Whether the requirements under section 77A, 77AA & 77B of the Companies Act, 1956 have been complied with.
In respect of declaration of beneficial ownership.	
	Whether provisions of section 187C have been complied with and proper treatment is made in the registers of members.
In respect of various membership rights.	

	Whether various membership rights of the shareholders have been kept in abeyance including right to transfer of shares in case of Public Company.
In respect of Invitation and Acceptance of Deposits:	
Invitation and Acceptance of Deposits:	Whether the requirements under section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 have been complied with.
In respect of Declaration of Dividends:	
Declaration of Dividends:	Whether the requirements under section 205 to 207 of the Companies Act, 1956 and the Allied Rules have been complied with.
Investor Education and Protection Fund	Whether the amounts in the unpaid dividend accounts of Companies that have remained unclaimed and unpaid for a period of seven years from the date when they first became due for payment have been transferred to the said fund. Other requirements under Section 205C of the Companies Act, 1956 are complied with.
In respect of Capitalisation of Profits/ Issue of Bonus Shares:	
Capitalisation of Profits/ Issue of Bonus Shares:	Whether Articles of Association provide for Capitalisation of Profits.Whether the requirements under the provisions of the Companies Act, 1956 have been complied with.
In respect of Statutory Registers/ Books:	
Statutory Registers/ Books:	Whether the various Registers and Books as required to be maintained under the Companies Act, 1956, are being maintained by the Company.
In respect of Appointment of Sole Selling Agent, if any:	
Appointment of Sole Selling Agent	Whether the requirements under section 294 / 294AA of the Companies Act, 1956 have been complied with.
In respect of Approvals of Financial Institutions:	
Approvals of Financial Institutions:	Whether the requirements under the terms of the loan agreements of the Companies Act, 1956 have been complied with.
In respect of Investments of the Company:	
Investments of the Company:	Whether the investments are held in the name of the Company, if no, check the Registers of Investments.
In respect of Corporate Governance	
In case of Listed Companies included in Group ‘A’ of the BSE or in S & P CNX Nifty index as on January 1, 2002	Clause 49 of the listing agreement is to be implemented within financial year 2000-2001 but not later than March 31, 2001
In case of Listed Companies with paid up share capital of Rs. 10 Crores and above, or net worth of Rs. 25 Crores or more.	Clause 49 of the listing agreement is to be implemented within financial year 2001-2002 but not later than March 31, 2002
In case of Listed Companies with paid up share capital of Rs. 3 Crores and above, or net worth of Rs. 25 Crores or more.	Clause 49 of the listing agreement is to be implemented within financial year 2002-2003 but not later than March 31, 2003
In case of Companies seeking listing for the first time.	Clause 49 of the listing agreement is to be implemented at the time of listing.