JOB DESCRIPTION OF A COMPANY SECRETARY

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A.INTRODUCTION

The Company Secretary is a statutory officer of the company responsible for the efficient administration, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the Board of Directors are implemented. Companies with a paid up capital of Rs 5 Crores or more are obliged to appoint a full time company secretary. He is the vital link between the company and its board of directors, government, various authorities, creditors and its shareholders. He ensures that the board procedures are followed and reviewed and provides guidance thereto on their responsibilities under various legislations. He is a conscience keeper of the company. Company secretary is an officer in default under the Companies Act 1956.

B. DUTIES

The company secretary is usually assigned with legal, administrative and management functions. He performs three fold capacity; as an agent of the Board of directors and as a person in charge of secretarial work relationship to the company and as chief administrative officer of the company. These duties can be classified into two categories:(I) Statutory duties (II) General duties.

The statutory duties can be explained into two-duties under Companies Act and duties under other Acts like Income Tax Act, Stamp Act etc. Besides the statutory duties, a secretary is required to carry out a number of general duties such as to carry out the orders of the Board of director, to assist the Board in the formulation of policy decisions, not to disclose confidential information relating to the affairs to the company, not to make any secret profits on account of his position, to act as a medium and link between the company and outsiders, to provide information to the shareholders and to organize, supervise and coordinate the office work.

(I) STATUTORY DUTIES

a. Under the Companies Act

i. To sign any document or proceedings requiring authentication by the company
ii. To arrange to file statement in lieu of prospectus
iii. To deliver for registration of return of allotment and contracts relating to allotment of shares for consideration other than cash
iv. To give notice of the increase in the share capital of the company to the Registrar of Companies (ROC)
v. To deliver share/debenture certificates within 3 months of allotment or within 2 months of registration of transfer
vi. To make entries in the register of members or issue of share warrants
vii. To make available for inspection, trust deed to every member of the company and forward a copy of it to the members on their request and within 7 days of request on payment of requisite fees

viii. To deliver for registration, particulars of charges, mortgages to the ROC
ix. To file notice of situation of the registered office and changes thereto to the ROC
x. To get painted or affixed the name and emblem of the company outside every office or the place of business, to get printed on documents of the company and to get it engraved on the seal of the company
xi. To sign the annual return of the company
xii. To allow inspection of and to furnish copies of register of members
xiii. To send notices of meetings to every director and member of the company
xiv. To prepare minutes of every meeting within 30 days of conclusion of the meeting
xv. To sign the balance sheet of the company
xvi. To inform auditor of his appointment
xvii. To maintain the statutory registers

b. Duties under the Income Tax Act

i. A company secretary is the Principal Officer of the company under the Income Tax Act 1961. The Act imposes the following obligations upon him:
ii. To ensure that proper income tax is deducted at source from the salaries paid to the employees or from interest paid/payable to debenture holders or depositors respectively
iii. To see that a certificate of income tax so deducted at source is furnished to every debenture holder/depositor
iv. To ensure that the tax so deducted has been deposited in the Government Treasury
v. To submit and verify miscellaneous statements, forms and returns
vi. To ensure that the dividend tax has been deposited in the Government Treasury

c. Duties under the Indian Stamp Act

It is the duty of the Secretary to see that documents like letters of allotment, share certificates, share warrants, debenture certificates and transfer forms are properly stamped as per the requirement of the Indian Stamp Act

d. Under other Acts:

Company secretary being the compliance officer of the company is required to perform duties specified under various acts based on the profile of the company, including the Industrial Disputes Act 1947, The Employment State Insurance Act 1948, The Minimum Wages Act 1948, Payment of Wages Act 1936, The Factories Act 1948, The Provident Fund Act 1952, Foreign Exchange Management Act 1999 etc

(II) GENERAL DUTIES:

i. To do all such acts and deeds which an authorized director or any other managerial personnel specifically directs to do
ii. To assist the chairman to convene meetings and make necessary arrangements in this regard
iii. To advise directors and managing directors, regarding complying with their statutory duties
iv. Laisoning with various statutory agencies like stock exchanges, ROC etc
v. To perform all the necessary things relating to shares and debentures issuing a prospectus, inviting applications for the subscription of shares and debentures, arranging for allotment and issuing share certificates and debentures, handling transfer and transmission of shares and debentures, arranging payment of dividend and interest of shares and debenture respectively
vi. To handle all correspondences between the company and its shareholders, creditors and public. But should abstain from disclosing any confidential or secret information relating to the affairs of the company.
vii. To allow the inspection of various books and registers desired by the members and other persons as per the provisions of the Companies Act unless prohibited
viii. To ensure transparency and accountability in the operations/functioning of the company by vouching good corporate governance practices.

C. CORPORATE GOVERNANCE AND SECRETARIAL SERVICES

The company secretary ensures adoption and implementation of better governance practices which includes drafting governance charter, constitution of various sub committees of the board, ensuring statutory compliances, statutory reporting to the board, ensuring transparency in operations, risk assessment etc

Major corporate secretarial services include:

i. Promotion, formation and incorporation of companies
ii. Filing, registering any document including forms, returns and application and on behalf of the company as an authorized representative
iii. Coordinating board/general meetings and follow up actions thereof
iv. All works related to securities including their transfers and transmissions
v. Custodian of various corporate records, statutory books and registers

D. CORPORATE LAWS ADVISORY

Advising companies on compliance of legal and procedural aspects, particularly under:

i. SEBI Act
ii. Securities Contracts (Regulation) Act and Rules and Regulations made thereunder
iii. SEBI (Issue of Capital and Disclosure Requirements)
iv. Foreign Exchange Management Act
v. Consumer Protection Act
vi. Depositories Act

vii. Environment and Pollution Control Laws
viii. Labour Laws
ix. Industrial Laws
x. Mergers, Amalgamations and strategic alliances
xi. Foreign collaborations
xii. Joint ventures
xiii. Setting up of subsidiaries abroad
xiv. Competition Policy and related compliances
xv. Intellectual property laws
xvi. Drafting legal documents etc

E. REPRESENTATION SERVICES

Representing on behalf of the company before-

i. Company Law Board
ii. National Company Law Tribunal
iii. Competition Commission of India
iv. Securities Appellate Tribunal
v. Registrar of Companies
vi. SEBI
vii. Consumer Forums
viii. Tax Tribunals
ix. Other Quasi Judicial Bodies and Tribunals

F. HUMAN RESOURCE MANAGEMENT

i. Man power planning and development
ii. Audit of HR function
iii. Performance appraisal
iv. Framing motivation and remuneration strategies
v. Maintaining industrial relations
vi. Office management, work studies and performance standards
vii. Advising on labour and industrial laws
viii. Attaining cultural integration etc

G. INFORMATION TECHNOLOGY

i. Compliance with cyber laws
ii. Conducting board meetings through video/tele conferencing
iii. Advising on software copyright and licensing
iv. Maintaining statutory records in electronic form
v. Filing of forms/notices in e form with statutory authorities etc

H. ARBITRATION AND CONCILIATION SERVICES

i. Advising on arbitration, negotiation and conciliation in commercial disputes
ii. Acting as arbitrator/conciliator in domestic and international commercial disputes
iii. Drafting arbitration/conciliation agreement clauses

I.FINANCIAL MARKET SERVICES

The major role of company secretaries under public Issue, listing and securities management, takeover code, insider trading etc are as follows:

i. Advisor/ consultant in issue of shares and other securities in India and abroad
ii. Drafting of prospectus/offer for sale/ letter of offer/other documents related to issue of securities and obtaining various approvals in association with lead managers
iii. Listing / delisting of securities
iv. Buy-back of shares, raising of funds from international markets –ADR/GDR/ECB
v. Acting as compliance officer under listing agreement
vi. Compliance officer for various capital market intermediaries
vii. Ensuring compliance of the takeover regulations and rules thereunder
viii. Ensuring compliance with SEBI (Prohibition of Insider Trading) Regulations 1992 etc

J. FINANCE AND ACCOUNTING SERVICES

i. Accounting and compilation of financial statements
ii. Working capital and liquidity management
iii. Determination of an appropriate capital structure
iv. Analysis of capital investment proposals
v. Business valuations prior to mergers and/or acquisitions
vi. Budgetary controls
vii. Preparation of Project Reports and feasibility studies
viii. Internal Audit
ix. Secretary to Audit Committee
x. Loan Syndication
xi. Loan Documentation
xii. Registration of Charges
xiii. Status and Search Report

K. TAXATION SERVICES

i. Advisory services to companies on tax management and tax planning
ii. Preparing/reviewing various returns and reports required for compliances
iii. Representing companies before the tax authorities and tribunals etc

I.ROLE

The role of a company secretary is three fold, viz; as a statutory officer, coordinator and an administrative officer. His responsibility extends not only to the company but also to its shareholders, depositors, creditors, employees, consumers, society and government

The company secretary as the chief administrative head of the organization, wherever applicable is bestowed with the duty of planning, organizing, directing and coordinating the office work effectively.

The company secretary is an officer responsible for compliance with numerous legal requirements under different acts applicable to companies. The important task of the company pertaining to statutory and legal obligations comes under the company secretary. As a coordinator, he has to ensure effective execution of the management policies laid down by the board. The position the company secretary occupies in the admistrative set up of the company makes his function as a coordinator and link between the management and other levels.

Company secretary is not only the communicating channel between the board and the executives, but he also coordinates the actions of the executives vis-à-vis the board. He is also the link between the company and its shareholders, trade unions, society and the Government.