

## **COMPANY SECRETARY**

The word "Secretary" is derived from the Latin word "**Secretarius**" meaning Confidential Officer. A secretary is defined by the Oxford Dictionary as "one whose office is to write for another, especially one who is employed to conduct correspondence, to keep records and to transact various other businesses for another person or for a society, corporation or public body".

Therefore the Secretary is one of the principal officers of the company with the requisite qualifications to undertake secretarial work and management of the affairs of the company as per the provisions of the Act and instructions laid down by the Board of Directors. The Board, however, cannot alter the duties of the secretary as they are determined by the law.

### **TYPES OF SE-CRETARIES**

There are various types of secretaries, such as 'private secretary, secretary to a club, cooperative society, government company, etc., A brief description of these types is as follows:

#### **❖ PRIVATE SECRETARY**

A private secretary is usually appointed by an important person such as a minister in the government, member of parliament, manager, business magnate or professional men like doctors, lawyers, etc, ' His work is to attend to the correspondence and other personal work or office work of the employer. Sometimes, the private secretary may also be entrusted with certain duties of a private nature such as handling banking transaction, arranging meeting, parties, and drafting reports and speeches.

#### **❖ SECRETARY OF A CLUB OR ASSOCIATION**

Non-profit making associations like Charitable institutions, cultural associations and professional association, sports and athletic clubs may appoint a full-time secretary to conduct the day-to-day activities of the association or club. As an honorary secretary cannot generally be expected to devote his entire time to the work of the association or the club, paid secretaries are appointed.

#### **The important functions of the secretary of an association are:**

1. The attend to administrative functions such as correspondence, maintenance of accounts and records, supervision of staff and arranging for the audit of the accounts.
2. To conduct activities of the club or association such as registration of new members, collection of fees, etc.
3. To convene meetings of members or executive committees and to prepare the required documents and minutes of the meetings.

4. To advise the managing committee on various matters relating to the association and to execute the decisions of the managing committee

#### ❖ **SECRETARY OF A CO-OPERATIVE SOCIETY**

Generally, full-time secretaries are appointed in cooperative society. In some cases, one of the members of the managing committee may be elected to act as secretary.

**The functions of the secretary of a cooperative society are:**

1. To assist the managing committee in managing the affairs of the society.
2. To execute the decisions taken by the managing committee.
3. To maintain proper records and registers.
4. To arrange meetings and to attend conferences on behalf of the society.

#### ❖ **SECRETARY OF A GOVERNMENT DEPARTMENT**

Each department of the government is under the control of a secretary, e.g., Secretary, Finance Department and Secretary, Education Department. He is also executive head and adviser to the minister who is concerned with that particular department.

The duties of a government secretary are:

1. Administrative and executive functions such as overall control and day-to-day administration of the office, guiding the subordinate officers of the department, coordinating the various activities of the department as well as the activities of allied department.
2. Advisory functions, which include advising the minister on all matters regarding decisions and supplying whatever information is needed by the minister.

#### ❖ **SECRETARY OF A LOCAL BODY**

Usually, municipal corporations and Panchayats appoint a paid secretary who will function as an office executive. He is a link between the authorities and the staff. His functions are many and varied. He has to supervise and coordinate all activities of the office, prepare budgets, statements, arranging meetings, draft minutes, etc.,

#### ❖ **SECRETARY OF A TRADE UNION**

Generally, every trade union appoints a secretary. He is a powerful person wielding much influence over the organized labourers. He is required to hold meetings of the union, to record their proceedings, to maintain accounts and statutory books and to conduct the correspondence on behalf of the union. He advises the union on various matters connected with labour. In case of disputes, he negotiates with the employers on behalf of the labour and makes efforts to settle the disputes.

#### ❖ **COMPANY SECRETARY**

The secretary of a company guides the management in the day-to-day work of Company Law and mercantile law and of accounts, taxation, holding of meetings, drafting of reports. Resolutions etc. His duties are of ministerial and administrative character and he is not concerned with the directions, control or management of the affairs of the company. He is an officer of the company and his duties are multifarious but primarily they consist of duties to the Board, duties to the shareholders and duties to the company. Because of the vast expansion of joint stock forms of organisation, the position of secretary has become pre-eminent in the industrial and commercial world and has secured esteemed position and a high social status.

Section 2(45) of the companies Act of 2013, " A company secretary is a person who is a member of the Institute of the Company Secretaries of India or any other individual possessing the prescribed qualifications, appointed to perform the duties imposed on him by the companies Act, the ministerial or administrative duties and managerial functions that are delegated to him by the Board"

The Companies [Amendment] Act 1955-provides that a company can appoint a secretary with 'limited executive' power of management delegated by the Board of Directors in addition to his routine duties. If the, Board entrusts the Secretary with routine duties, he is called, '-Routine Secretary', and if he is entrusted with limited executive managerial powers, he is called 'Executive Secretary'.

#### ❖ **ROUTINE SECRETARY**

A Secretary is called a Routine Secretary because his position can be compared to the position of the head of a clerical department doing only such work as he is directed to do by the board. A routine secretary is just the mouth-piece of the Board of Directors. He has to do only what he is directed to do by the directors. He does not have any .discretion of his own, and so, cannot do anything on his own.

The duties of a routine secretary relate to:

1. To supervise issues of shares and debentures.
2. Registration of transfer and transmission of shares
3. Attending to work relating to board meetings and general meetings.
4. Preparing dividend warrants and maintaining the statutory and other books of the company.
5. Filing the necessary return of the company with the Registrar of the companies

#### ❖ **EXECUTIVE SECRETARY**

When a secretary of a company, in addition to the performance of the routine office work, also acts as the Chief Executive Officer of the company, he becomes an executive secretary .In this case, he exercises managerial and administrative powers and performs many

executive and managerial functions delegated to him by the board. So, he is called an Executive secretary.

An executive secretary, besides performing the routine office work of a secretary, also performs a number of other responsible jobs. The other important duties of an executive secretary are:

1. To Organise and Control the whole office.
2. To carry on the correspondence work relating to the various departments of the Company.
3. To attend to all matters relating to the Cost and company accounts.
4. To negotiate contracts with third parties on behalf of the Company.
5. To act as a Liaison officer, i.e., Establishing links between the company and outsiders.
6. To act as an adviser and guide to the board of directors on all important matters of policy and administration.

### **APPOINTMENT OF A COMPANY SECRETARY**

As per the Indian Companies Act, 2013, it was not compulsory for companies to appoint a secretary. However, in practice all companies appointed secretaries. As per Rule 2(1) of Companies [Appointment and Qualification of Secretary (Amendment)] Rules, 1993 it is obligatory for a company having a paid-up capital of not less than Rs. 50 Lakhs to appoint a whole-time secretary. As per Rule 2(1) above for companies having paid-up capital of less than Rs. 50 lakhs it is not obligatory to appoint a whole-time secretary. Further, when the board of directors of any such company comprises only two directors, neither of them shall be secretary of the company. The Act also states that no individual can hold the office 'of 'secretary in more than one such company. Further, only a individual possessing such qualifications as the central Government may prescribe can be appointed as secretary of a company. Now, a company having paid-up capital of Rs. 2 crores must have a whole time secretary. [This came into force from 11th June 2002].

The promoters of the company generally first appointment a secretary who assists them in the formation of the company by attending to all preliminary work such as preparation of various documents and statements required for registering the company, arranging the meetings of the promoters, preparation of minutes, etc.,. He is often referred to as ***Protem Secretary*** (i.e. secretary for the time being) and his name may be included in the Articles of Association of the Company. If the board of directors decides to appoint another person as secretary other than the **Protem Secretary** after incorporation of the company, the first secretary who is appointment by the promoters cannot sue the company. However, he should be given proper notice in such a case,

otherwise, he can sue the company for damages. Hence, to secure his position, the first secretary who has been acting, as *Protem Secretary* must, immediately after the incorporation, get his appointment confirmed by a resolution at the first board meeting.

The procedure for appointing a company secretary other than the first secretary is as follows:

1. A resolution has be passed at the board of directors' meeting appointing a secretary on certain terms and conditions.
2. The particulars of appointment must be filed ill duplicate with the Registrar within 30 days of the appointment.
3. I the person appointed as secretary functions as secretary in any other company, he to notify the other company within 20 days of his appointment.
4. Any director interested in the appointment of secretary must disclose his intent and must not take part in the discussion or voting on the resolution.
5. If the person appointed, as secretary is the director of a company or is a relative of a director, a special resolution h-as to be passed in the general board meeting for such an appointment.

The following persons are usually not qualified for appointment as the secretary in a public limited company:

1. A director of a company
2. The auditor of the company
3. Any other person who is not eligible to enter into a contract.

The reasons for disqualifying the above persons are that the post of a secretary is deemed to be a post of profit and the companies Act 2013 stipulates that no director can hold any place of profit. But by obtaining the consent of a company by assigning a special resolution a director can be appointed as a secretary. It should, however, be noted that in case a director is appointed as a secretary, he cannot continue as a director.

As regards auditor as a secretary of a company, the Act states that no employee of a company can act as auditor. As such we find that a secretary is an employee of a company and therefore, a person cannot be appointed both as a secretary and as auditor of a company.

## **DUTIES AND FUNCTIONS OF COMPANY SECRETARY**

The duties of a secretary vary from company to company, depending upon the nature on the business, size of the company and the powers enjoyed by and responsibilities entrusted with the secretary.

The duties of a company secretary may be classified under the following broad heads:

1. Statutory duties
2. General Duties
  - a. Duties in relation to directors
  - b. Duties in relation to shareholders
  - c. Duties towards organisation and office
  - d. Duties in relation to the public

## **1. STATUTORY DUTIES**

The statutory duties of a company secretary are those prescribed by the Companies Act or by any other legislation such as the Income Tax Act, Sales tax Act, Stamp Act, Employee state. Insurance Act, Industrial Disputes Acts, Contract Act, Monopolies and Restrictive Trade Practices Act, etc,

The most important part of his statutory duties relates to the various provisions of the Companies Act are:

1. Maintenance of books and registers of the company
2. Filing of the necessary returns with the Registrar of Companies
3. Supervising the issue, allotment, transfer and forfeiture of share and debentures.
4. Attending to meetings and recording their proceedings.
5. Safe Custody and proper use of the common seal of the company.
  - The Income-tax Act requires him to take steps for the deduction of income tax from dividends, interest and salary and its payment to the tax authorities.
  - Under the Stamp Act, he has to see that stamps of the requisite amount are affixed to documents, shares etc.,
  - Under the Sales-tax Act, he has to arrange for timely submission of returns and payment of tax. In addition, he has to comply with the provisions of any other .Act, which is applicable to that particular company. For instance, a manufacturing company has to comply with the provisions of the Factories Act, the Industrial Disputes Act, Minimum Wages Act and other industrial laws. The secretary has to see that these provisions are complied with.
  - A company secretary is not only a servant of the company but also a servant of the law.

## **2. GENERAL DUTIES**

- **Duties in Relation to Directors:**

The Secretary has to look after the correspondence with the director, convene board meetings under the direction, of the managing director, prepare minutes and execute the orders and instruction of the board. He has to advise the directors during the deliberations at the meeting regarding the provisions of various Acts. He acts as a guide to the board of directors.

The secretary is the confidential clerk of the board. While the directors lay down the broad policies of the company at board meetings, the secretary interprets these policies. He communicates board decisions to the staff and shareholders and because of this, he is called the mouthpiece of the board of directors. Further, the secretary has to keep the board posted with all developments relating to the activities of the company. As the secretary is the agent of the board of directors, he must carry out their instructions. In addition he keeps the common seal of the company and uses it as directed by the board.

➤ **Duties in Relation to Shareholders.**

The secretary is also medium of communication between the company and shareholders. -As the shareholders are the owners of the company, the secretary has to safeguard their interest and should attend to their enquires regarding payment of dividend, issues of share, etc., In dealing with shareholders the secretary has to be very tactful and, at the same time, be courteous, friendly and helpful. He has to ensure that no confidential information of the company is made available to a section of the members, which may affect the interest of the company as a whole. . Further, he has to organize and supervise correspondence with shareholders with regard to the following:

1. Application and allotment of shares.
2. Calls of shares.
3. Forfeiture of shares.
4. Transfer and transmission of shares.
5. Distribution of dividend
6. Notice and circulars to .members
7. Meetings of shareholders
8. Inquiries and complaints from shareholders.

➤ **Miscellaneous or other Duties:**

The other duties of a company secretary are:

1. He should not act without authority
2. He should discharge his duties honestly
3. He should Exercise reasonable care & diligence
4. He should Act in & emergency very cautiously in the interest of the company

5. He should not leak out the secrets or confidential matters of the company either to the share holders or to the Public.
6. He should represent the company on social functions.

➤ **Duties towards Organization and Office.**

The secretary is generally recognized as the head of the office of the company and has control over departments such as shares, record and filing, accounts and statistics. He has to ensure that the office works with maximum efficiency. He has to supervise various activities of the office and also coordinate the activities of the different departments. In order to get the best out of the staff, he has the overall duty to select, organize and guide personnel. This requires that he should devote particular attention to the terms and conditions of their service and also maintain personal contact with individual members of the staff.

➤ **Duties in Relation to the Public.**

The secretary being in possession of all-important information about the various aspects of the company has to function as a medium of communication between the directors and the general public consisting of debenture holders, bankers, solicitors, creditors and the 'prospective investors. He has to be in touch with them and provide information that may be asked for. At the same time, he should take care to see that no confidential information is divulged to the public. Further, he should function as liaison officer between the shareholders and the directors, the company and the outsiders and should discharge his duties in the best interest of the company.

**QUALIFICATIONS OF THE SECRETARY**

In the case of companies with a paid-up share capital of less than Rs. 2 crores any individual possessing any go the following qualifications may be appointed as 'its whole-time secretary to perform of duties of secretary.

- (I) Membership of the Institute of Company secretary of India (ICST).
- (II) Pass in the intermediate examination conducted by the Institute of Company Secretary in India (ICSI).
- (III) Post-Graduate degree in commerce or corporate secretaryship awarded by any university in India.
- (IV) Degree in Law awarded by any university.
- (V) Membership of the Institute of Cost and. Works Accountants of India.
- (VI) Membership of the Institute of Chartered Accountants of India.
- (VII) Post-graduate in Company Law and Secretarial Practice granted by the University of Udaipur.

- (VIII) Membership of the Association of Secretaries and Manager, Calcutta.
- (IX) Diploma in Corporate Laws and Management granted by the India Law Institute, New Delhi.
- (X) Post-graduate degree or diploma in Management Sciences granted by any University.
- (XI) Post-graduate degree or diploma granted by Indian Institutes of Management, Bangalore, Calcutta, Lucknow, Ahmedabad or Calicut.

The qualifications possessed by a person holding the office as the secretary of a company immediately before 30th October 1980 shall be deemed to be the qualification, which he shall be required to possess in order to be eligible to continue in that company.

The Company (Secretary qualification) Rules stated above, do not apply to a limited company which is formed for the promotion of commerce, arts and science, religion, charity etc., and which makes priority payment of dividends to its members (i.e. a company to which a license is granted under Section 25 of the Companies Act).

### **QUALITIES OF THE COMPANY SECRETARY:**

In addition to the statutory qualifications, a company secretary should possess certain other qualities if he is to discharge his multifarious duties efficiently. The qualities are:

- **Sound General Education:** A sound general education helps the secretary in grasping the subject without taking much of his time and effort.
- **Command over Languages:** As a large part of the secretary's work consists of correspondence and preparation of report and précis, it is necessary that he should have a command over language. Further, he should also be conversant with certain specialized business terms and expressions suited to his work. If his company has foreign connections, it is better for him to have a knowledge of one or two foreign languages.
- **Knowledge of Office Administration:** For the efficient organisation of the office, the secretary should know the best system of filing and indexing and should have a knowledge of labour saving devices, recruitment of office staff, methods of remuneration, delegation of work etc.,
- **Knowledge of Accounting and Taxation:** As company secretary is an executive office of the company, he must also have a basic knowledge of the principles of accounting and taxation, consisting of income tax and sales tax.
- **Knowledge of Company Law:** A thorough knowledge of the various provisions of the Companies, Act is essential for the secretary .Companies have to function within the legal framework of the companies Act, hence a thorough knowledge of .the various provisions of Companies Act is essential for a secretary.

- **Knowledge of various acts Relating to Staff:** For the efficient handling of staff, the secretary should have thorough knowledge of various acts of legislation which are applicable to the staff, viz., the Factories Act, the Industrial Disputes Act, the Workmen's Compensation Act, the Employees' Provident Fund Act, the Payment of Wages Act, Income Tax Act, etc.
- **Knowledge of Mercantile Law:** Apart from the knowledge of the law relating to staff, a working knowledge of the laws relating to contracts, negotiable instruments, sale of goods, insurance etc, may be of immense help to the secretary in discharging his duties.
- **Knowledge of the Industry:** He should have a thorough knowledge of the business of his company and knowledge of the industry in which his company is engaged. This would help him to give proper guidance to the chairmen and the board on various intricacies of business.
- **General Knowledge:** General Knowledge helps the secretary in guiding the chairman and board of directors, and in performing his duties confidently. Hence, apart from knowledge of the industry, the secretary should have general knowledge likes current happenings, economic conditions, political and social condition, market conditions, etc.
- **Impressive personality:** The various qualifications and qualities mentioned above are essential, but not sufficient. Besides these, for a company secretary to be successful executive, he must have a good personality which is a comprehensive term consisting of so many personal virtues and talents such as charming manners, organizing ability, imagination, initiative, strong common sense, originality, efficiency and intelligence, a sense of responsibility, alertness, self-discipline, foresight, industriousness, courtesy and high moral character .

## **Rights**

The rights of a company secretary mostly flow out of his service agreement with the company.

These may be summarized as follows:

1. Right to supervise the secretarial department. Being head of the secretarial department, he has the right to control and supervise the activities of the department under his control
2. Right to sign documents. As a principal officer within the meaning of the Companies Act, he has to sign documents requiring authentication of the company
3. Right to claim remuneration. The secretary is a servant (employee) of the company and has a right to claim his salary during its lifetime. Before his services are terminated, he can demand a reasonable notice and claim damages for his wrongful dismissal. In the event of the winding up of the company he can claim his outstanding salary as a preferential creditor

But the secretary has no right to:

1. Make allotment, or register transfer, of shares of the company unless he is specifically authorised by the directors in that behalf and the Articles of the company allow the directors to delegate this power to the secretary
2. Make any representation on behalf of the company or to enter into any contracts without express authority and consent of the directors;
3. Borrow in the name of the company

### **LIABILITIES OF THE SECRETARY**

The liabilities of the company secretary may be divided into two categories:

- a) Statutory liabilities
- b) Contractual liabilities
- a) **Statutory Liabilities**

As the principal executive officer of the company, the secretary has certain statutory obligations under the .Companies Act, Income tax Act and the Stamp Act, Sales .tax Act etc. If the secretary fails to carry out the statutory obligations or duties imposed on him by the various acts, certain liabilities are imposed on him by the Companies Act and other acts. Such liabilities are called the Statutory liabilities. In short, statutory liabilities refer to all those liabilities imposed on the secretary by the Companies Act and other acts for his failure to discharge his statutory duties.

The various statutory liabilities imposed on the company secretary are:

1. If he fails to hold a statutory meeting.
2. If he does not circulate the statutory report.
3. If he fails to hold the Annual General Meeting.
4. If he fails to submit to the Registrar of Companies copies of annual accounts and other statements.
5. If he fails to give notice of Board Meeting.
6. If he fails to record the minutes of Board and General Meeting.
7. If he does not maintain minute books at the registered office.
8. If he refuses to allow inspection of minutes by the members.
9. If he refuses to furnish copies of Minutes to members.
10. If he fails in making ready share certificates and debenture certificates within the stipulated period.
11. If he fails to maintain a register of directors, shareholders and debenture holders.
12. If he fails to comply with the provisions of the Act regarding the appointment of auditors and the auditor's report.

13. If he fails to rectify the mistake within a period of two months, in case the company has been registered by a name which is identical with or too closely resembles the name of an existing company.
14. If he fails in filing With the Registrar of the Companies relevant documents as required by the Act.
15. If he fails in registering the resolutions etc, as required.
16. If he fails to have the name of the company engraved on the seals, etc.
17. If he fails to make entries in the member's register on the issue of share warrants.
18. If he fails to comply with the provisions of this Act particularly regarding the appointment of auditor, audit reports, etc.
19. Under the Income Tax Act, 1961 the company secretary is responsible for collection and payment of income tax.
20. Under the Indian Stamp Act, the company secretary is responsible for verifying the correctness of documents needing stamps, etc.

**b) Contractual Liabilities**

Apart from the statutory liabilities, the company secretary has certain liabilities to the company arising out of his contract of service with the company. These liabilities are known as contractual liabilities.

1. He must carry out the orders given to him by the directors.
2. He must carry out the obligations of his service agreement with the company.
3. He should not disclose any confidential information of the company.
4. He should not do anything beyond his authority. If he acts beyond his authority, he will be held personally liable for any damage or loss suffered by the company or any third party as a result of his action.
5. He is expected to perform his duties .with reasonable care and skill.
6. He is liable for damages caused to the company by his wilful misconduct and neglect of duties.
7. He is liable for any fraud on the part of any of his assistants if it is proved that he is a paIIy to such fraud.

**LEGAL POSITION OF THE SECRETARY**

The Companies Act has recognised the secretary as the principal officer of the company and he is responsible for the secretarial and other purely ministerial and administrative work of the company. He has to file various returns and statements with the Registrar of Companies as per the requirements of the Companies Act. In case he fails to fulfil these statutory obligations, he will be held liable for such defaults.

In the eyes of law, **the secretary is a mere servant of the company.** He has to act in accordance with the order or directions of the board of directors. Without authority, he cannot enter into any contract with the third parties and cannot make any representation on behalf of the company. He is appointed by the board and derives his authority from the board. He is under the control of the board of directors and he has to carry out the orders of the board and cannot exercise independent discretion in the work for which he is responsible. Thus, the secretary is a mere servant and subordinate officer of the company without any managerial function.

### **ACTUAL POSITION OR STATUS OF A COMPANY SECRET**

The actual position of a company secretary is not merely that of a servant or an agent, but something more than that. In actual practice, a company secretary occupies a position of importance in the administrative set-up of the company. He is not a mere tool in the hands of the board of directors or the mouth piece of the directors carrying out the orders of the directors. In the company set up, both the board of directors and the secretary play a complementary role to each other. The board of directors is responsible for the overall management of the company's business. It plans, decides and formulates the policies of the company. But the responsibility of the actual execution of the policies lies with the company secretary. It is the secretary who carries out the orders of the board of directors. That is why, it has been rightly remarked that while the directors are the brain of the company, the secretary is its eyes, ears and hands of the company.

The company secretary is in close touch with the work of the board and has access to the confidential matters of the company. He exercises his discretion in most matters relating to the routine affairs of the company. Similarly, in matters relating to staff, shareholders and outsiders, generally, the secretary is allowed to exercise his discretionary power. This power of discretion is given to the board because the directors may not be in a position to devote their time for taking decisions relating to matters which are of a routine nature. He is often consulted by the chairman and the board before taking any decision on policy matters or on any other important matter since he, has an intimate knowledge of the company and is in constant touch with the staff, the shareholders and the public. He is in a better position to advise the board on various matters relating to the functioning of the company. Further, as he possess a thorough knowledge of the various legislative enactments relating to companies, he is consulted by the board on various legal matters.

The company secretary acts in different capacities and discharges many duties and responsibilities.

They are:

1. He acts as the agent of the board of directors and carries out the instructions of the board of directors.

2. He acts as the registrar of the company and attends to the secretarial functions, such as the filing of various returns and statements with the registrar of companies, registration of transfers and transmission of shares and the work of correspondence.
3. He serves as the business executive of the company and carries out the routine office work and also the managerial duties entrusted to him by the board.
4. He acts as an adviser and advises the directors and the chairman on important matters affecting the business of the company.
5. He acts as a liaison officer between the board of directors on the one side and the staff, shareholders and the general public on the other side.
6. He acts as a confidential officer and ensures that the confidential matters of the company are not leaked out.
7. He is also required to act as a public relations officer of the company and improve the image of the company in the minds of the public.

### **REMOVAL OR DISMISSAL OF A COMPANY SECRETARY**

The Secretary may be removed from office by the board of directors, under the power expressly given in the articles or under their general powers which the articles generally give them. A secretary being a servant of the company, his suspension and dismissal are governed by the normal law applicable to employer and employee. The services of a secretary may be terminated by giving him notice as per the terms of the service agreement. If an agreement does not mention any specific period of notice, reasonable notice must be given.

The services of the secretary may be terminated without notice if he makes profits secretly. He may be dismissed for willful disobedience, misconduct, negligence, fraud; dishonesty, and permanent disability. The appointment of a receiver or manager in a debenture holder's action (suit) against the company, or making of an order by the court for compulsory winding up of the company will operate as a termination of the services of the secretary.

#### **For Case Study:**

1. Appointment of Whole time secretary is must if capital of the company is Rs 2 crore or more.
2. Director may be act as a secretary if number of directors is more than two. If only two directors, neither can be act as a secretary.
3. One person can be act as secretary of more than one company if capital is less than 2 crore.
4. For full time secretary ICSI is must.