

Subject – Secretarial Practices
Subject code- BBA603 / BCH603

UNIT 1

Lecture 1

A company is **a legal entity formed by a group of individuals to engage in and operate a business enterprise in a commercial or industrial capacity**. A company's business line depends on its structure, which can range from a partnership to a proprietorship, or even a corporation.

Company. N. **any formal business entity for profit**, which may be a corporation, a partnership, association or individual proprietorship

TYPES OF COMPANY

- (a) Company Limited by Shares. ...
- (b) Company Limited by Guarantee. ...
- (c) Unlimited Liability Company.

Secretary – Definition

According to clause (c) of Sub-section (1) of Section 2 of the **Company Secretaries Act, 1980**, a company secretary means a person who is a member of the Institute of Company Secretaries of India.

Meaning:

The word secretary is derived from a Latin word ‘Secretarius’ which means “confidential officer”. As a confidential officer, he has to maintain the secrecy of the work entrusted to him.

COMPANY SECRETARY A Company Secretary is not just an employee of the Company, he can take a corporate to the highest level with his capabilities and expertise knowledge in the Corporate Laws. He is not just the master of Company Law but also he knows the Interpretation of Law. So, he can become the master of all the Laws like Labour Laws, Taxation Laws, Banking Laws and other Laws that a Company needs to Comply with.

Definition Of Company Secretary As per Section 2(24) of the Companies Act, 2013 A Company Secretary means a Company Secretary as defined under Section 2(1)(c) of the Company Secretaries Act, 1980 Or Who is appointed by the Company to perform the functions of a Company Secretary.

Importance of Secretarial Practice:

Nowadays the secretary has come to occupy a more prominent position in the society than his ancient counterpart. In many cases the secretary has proved to be an indispensable person. He is entrusted with all confidential matters of a business. He has the overall charge of making

correspondences, keeping records, handling legal, taxation and financial matters and maintaining coordination in the organization.

The importance of a secretary

1. He is an indispensable person. In industry, commerce and social institutions, he is a must.
2. He is required to perform official and secretarial functions.
3. He has to perform many legal duties.
4. Important and busy persons engage personal secretaries to help them in the discharge of their duties.
5. He acts as an advisor to managers.
6. He is a key man and a liaison between the Board of Directors and the staff.
7. In case of a company, appointment of a qualified secretary is a must.
8. Bureaucratic administration cannot be run without a secretary.
9. Secretary is a confidential officer.
10. Secretary-ship is a profession rendering specialised service.
11. Secretary takes part in the policy-making process.
12. With the development of trade, industry and commerce, the importance of secretary is increasing day-by-day. Secretary is both a generalist and a specialist.