Rights of the Company Secretary:

Company Secretary is a senior level officer. He enjoys the rights as per the agreement signed by him with the Company:

☐ As a senior level officer he can supervise, control and he can direct subordinate officers and employee.

☐ He can sign any contract/agreement on behalf of the company as a principal officer, subject to the delegation of power by the board of the company.

☐ CompanySecretarycanissueguidelinesfortheemployeesonbehalfofthecompany.

☐ Company Secretary can attend the meeting of shareholders and the meeting of the board of directors.

☐ DuringWindingup,hecanclaimhislegalduesasapreferentialcreditorofacompany.

☐ He can sign and authenticate the proceeding of meetings (Board, AGM/EGM) and other documents on behalf of the company where the common seal is not required.

☐ Company Secretary is a Compliance Officer and concise keeper of the company and he has a right to blow the whistle whenever he finds the conduct of the officers or of the directors of the company are detrimental to the interest of the Company.

Restrictions on Company Secretary:

☐ He cannot enter into a contract on behalf of the company unless specifically authorized by the BOD;

☐ He cannot borrow money in the name of the company;

☐ He cannot call meetings which are related to third parties;

☐ He cannot acknowledge a debt against a suit against the company

☐ He cannot register, transfer shares without the authority of Board of Directors.

Offence and Penalty:

If a company contravenes the provisions relating to appointment of whole-time key managerial personnel (which includes company secretary), the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every director and key managerial personnel of the company who is in default shall also be punishable with fine which may extend to one thousand rupees for every day after the first during which the contravention continues.