

Company Secretary – A key managerial personnel of a company:

Companies Act 2013 has introduced many new concepts and key managerial personnel is one of them. While the companies Act 1956 recognize only managing director, whole time director and manager.

The companies Act 2013 has brought in the concept of key managerial personnel which not only covers the traditional roles of managing director, whole time director but also include some functional figure heads like Chief Financial Officer and Chief Executive Officer etc. These inclusion are in line with global trends.

“Company Secretary” has also been brought within the ambit of key managerial personnel giving them the long deserved recognition of a key managerial personal of a company.

“Company Secretary” means a Company Secretary define in clause C of sub section (1) of section (2) of the Company Secretary Act 1980. Company Secretary means a person who is a member of Institute of Company Secretary in India.

Company Secretary is a managerial personnel in a private sector company or in a public sector company. A company secretary represents his company before any quasi judicial body in relation to any legal dispute and any other legal litigation.

Statutory guidelines for appointment

As per section 203 of the company act 2013, Every listed company and Every public company having paid up share Capital of Rs. 5,00,00,000/- (Rupees Five Crore Only) or more shall have whole time Company Secretary in employment.

Steps to be followed for appointment of Company Secretary

1. Resolution should be passed by the Board of Directors in their Board Meeting.
2. Agreement of service should be prepared.
3. Details of Company Secretary must be recorded in the register of key managerial personnel.

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4. A return in form No. DIR12 shall be filed with registrar of Company within 30 Days from appointment and MGT 14 is also required to be filed along with fees and following documents.
 - Appointment letter
 - DIR2 'Consent of Directors'
 - DIR8 'Non disqualification of Director'
5. A return in MR 1 shall be filed with registrar of company within 60 days from the appointment.

If such company is listed than give an intimation to all the stock exchange where the company securities are listed.



Rights of the company secretary

1. As a senior level officer company secretary can supervise, control and he can direct subordinate officers and employees.
2. A company can sign any contractor agreement on behalf of the company as a principle officer of a company subject to the delegation of power by the board of a company.
3. Company secretary can issue guidelines for the employees on the behalf of the company.
4. Company secretary can attend meeting of shareholders and meeting of board of directors.
5. During winding up he can claim his legal dues as preferential creditor of a company.
6. He can sign and authenticate the proceeding of meeting and other document of the company where common seal is not required.

Statutory Responsibility of the Company Secretary under the companies act 2013

1. Signing share certificate
2. Signing annual return
3. .As per section 205 of the companies act 2013, the functions of company secretary include –
 - a.Report to the board about the provision of companies act and other applicable laws to the company and make sure that the company complies with the applicable secretarial standard issued by ICSI.

Responsibility of the company secretary

1. Advise the board in relation to the applicable laws.
2. Company secretary is responsible for convening of meeting and attend the meeting and maintain the minutes of these meeting.
3. Company secretary is responsible to provide collectively and individually such guidance as may require by the directors of the company.
4. Obtain the necessary approval by the appropriate authority when required under the provision of company law.

Responsibility as per Corporate governance

1. In audit committee
2. Secretary as per compliance officer
3. As per section 432 of the companies act 2013 – A company secretary can appear before National Company Law Tribunal (NCLT) on behalf of the company.