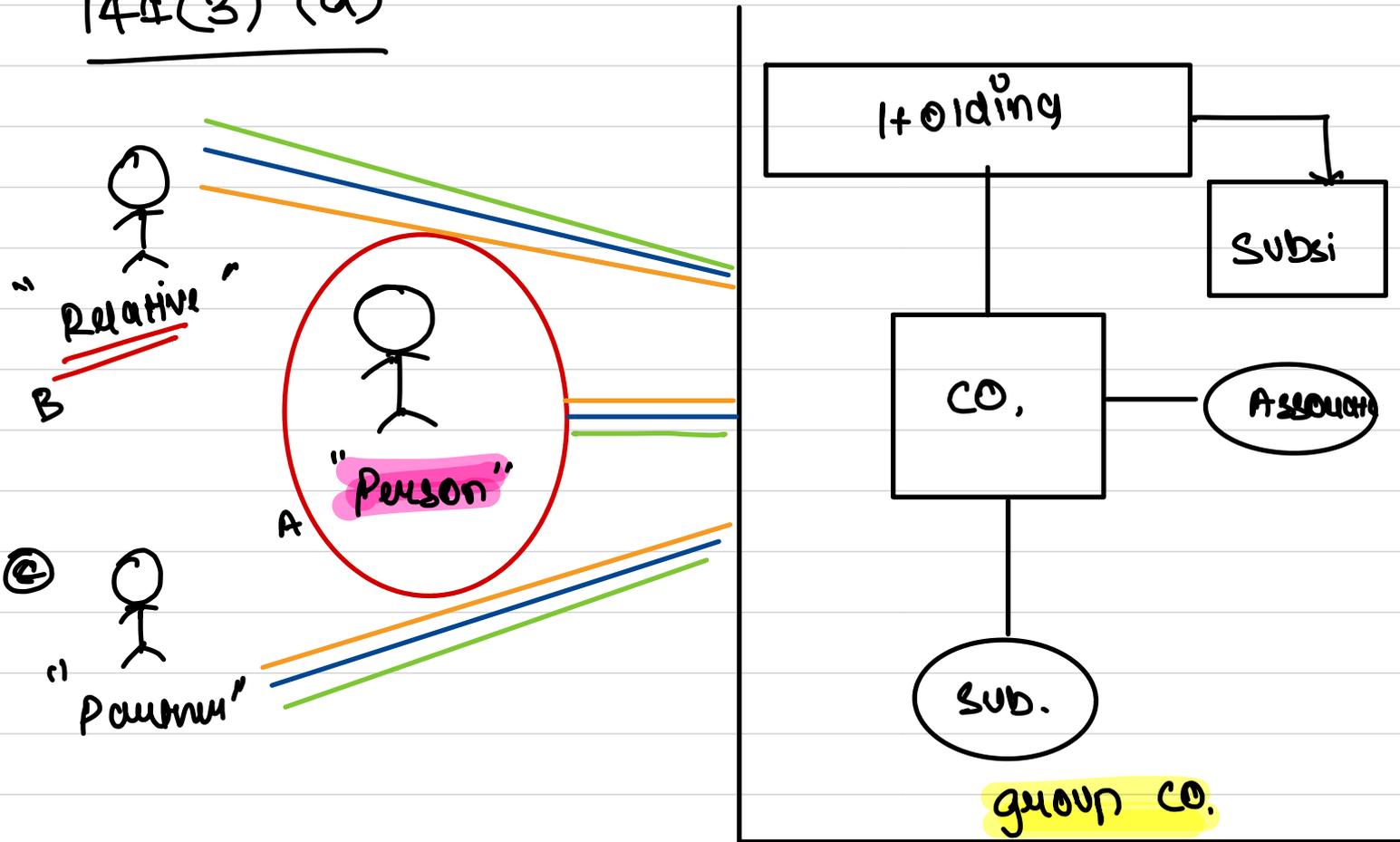


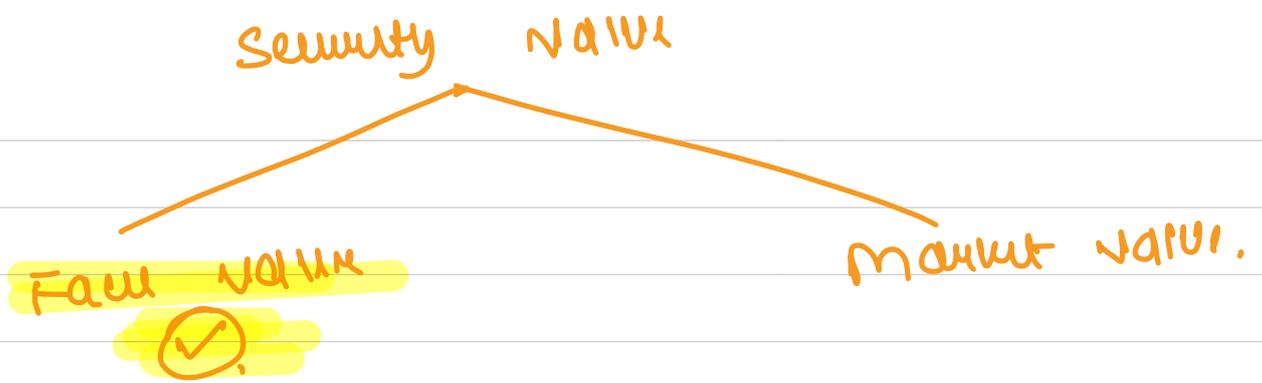
144(3) (d)



— security hold in group companies

However

Relative may hold security upto
100000,



— Indebted to co. in excess of 500,000. ✓ Normal credit period

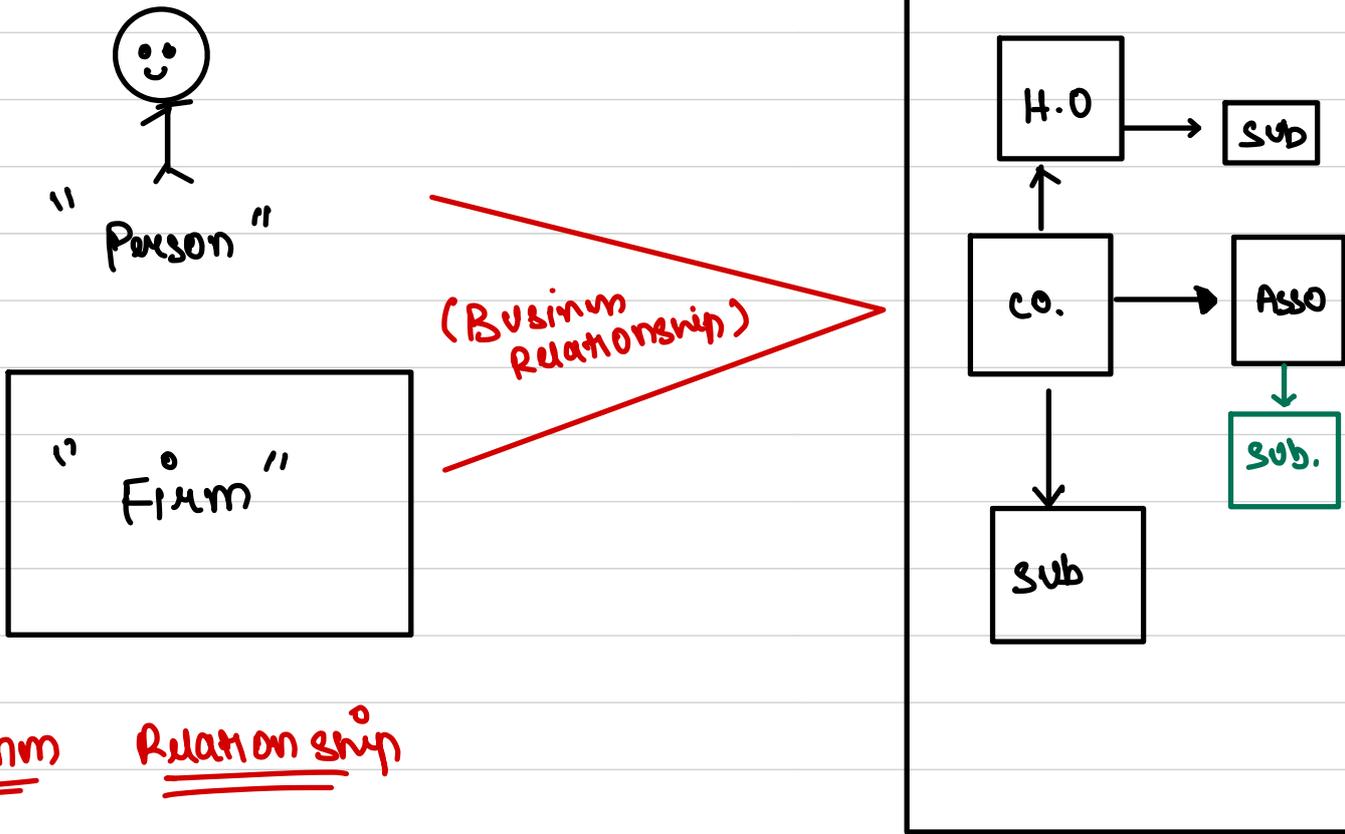
— has given guarantee in connection to third person in excess of 100,000

Cases:

①. Mx A, CA security holder in ABC Ltd. value of ₹ 10.
MxA → auditor?
↓
Ineligible

②. Mx R, relative of A holds security of 90000 / 102000 Face value in ABC Ltd.
A → Eligible?
✓ ✗

lec 02

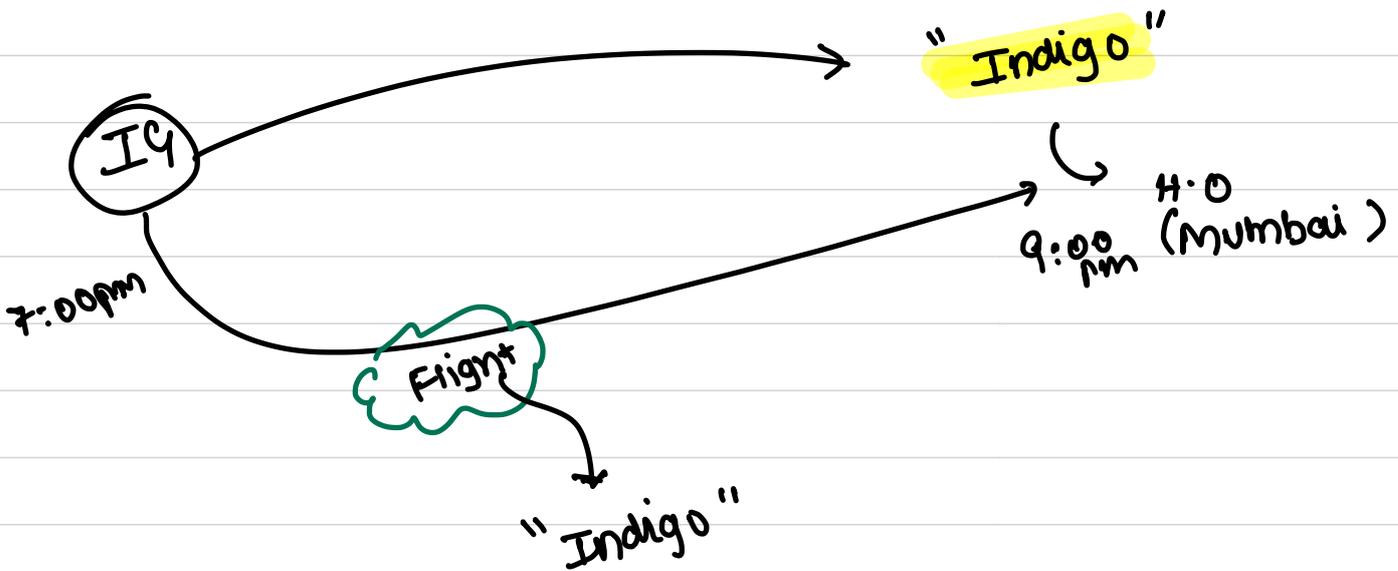


Business Relationship

Any txn which has commercial purpose.

Except

1. Permitted txn
2. Ordinary course of Business txn → "ALP" } Quality



• Tooth paste .

£ 10

• Flight

Normally flight cost - 7000

charged 7000 - ALP

charged

3000

only to

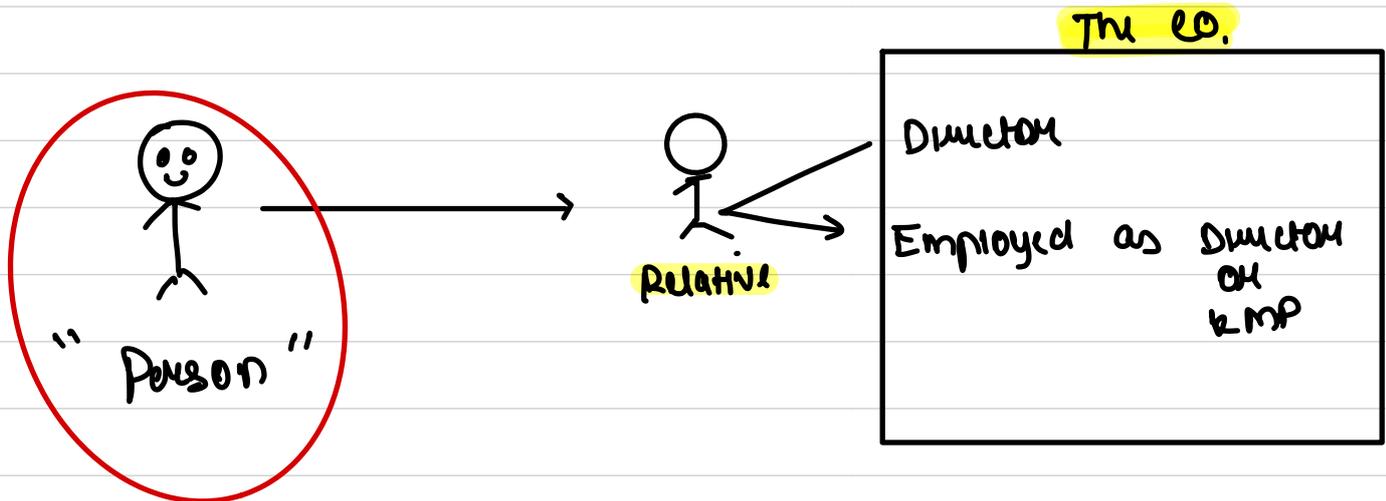
auditor

-

NOT an ALP

Person who has applied as auditor.

141(3)(b)



Case

1.



DAUGHTER'S husband → CEO of Butania

MHA



Butania



good day (sub)

Appointment of auditor



Non govt co.
Sec 139(6)

- BOD 30D
↓
Fails
- members 90D
EGM

govt co.
139(7)

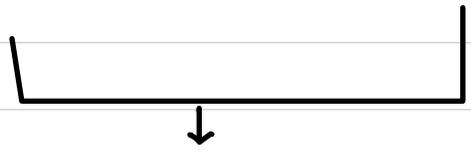
- CAG - 60D
↓ Fail
- BOD 30D
↓ Fails
- Members 60D

Non govt

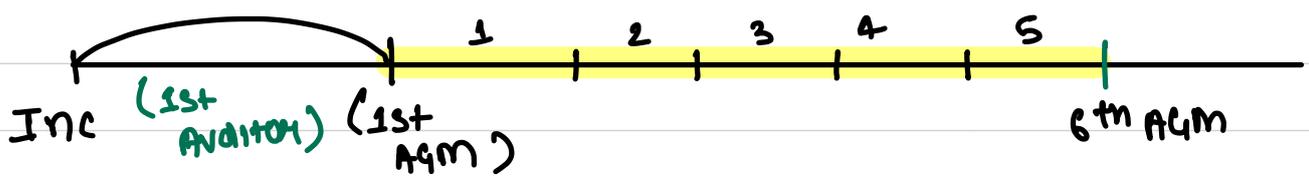
- At 1st AGM Co. shall appoint Indi / Firm as auditor
- Tenure
conclusion of that meeting till conclusion of sixth AGM.

govt

Every year appoint (within 180 days)



Tenure: Till conclusion of 1st AGM.



concl of that meeting

Tenure = 5 years