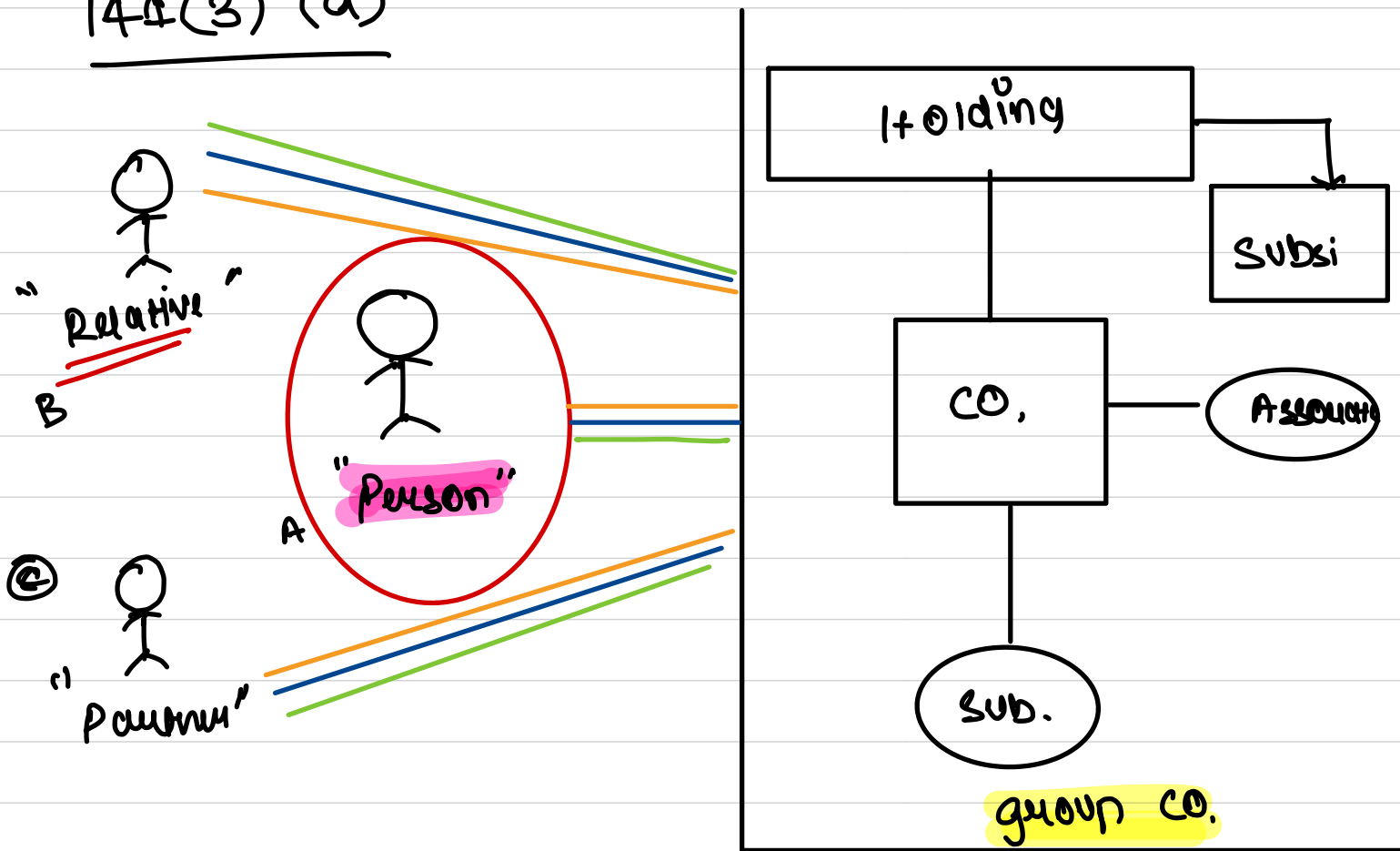


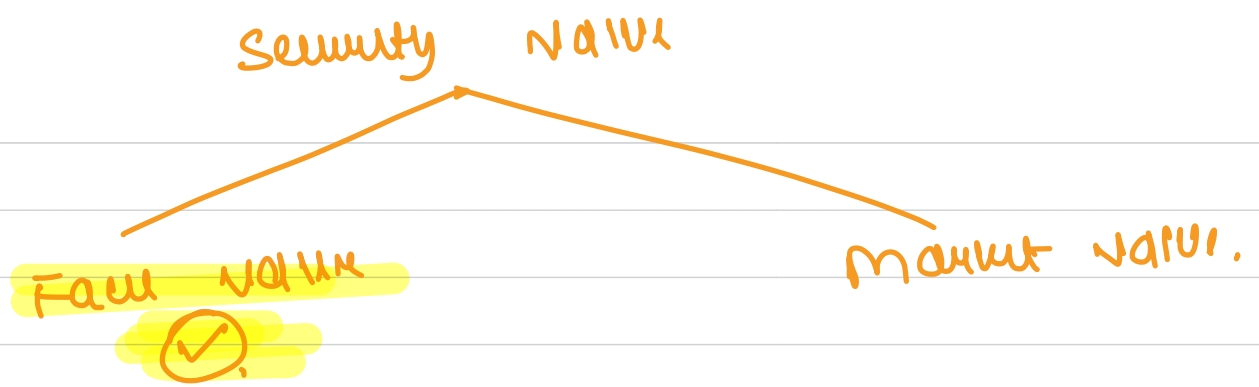
144(3) (d)



— security hold in group companies

However

Relative may hold security upto
100000,



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

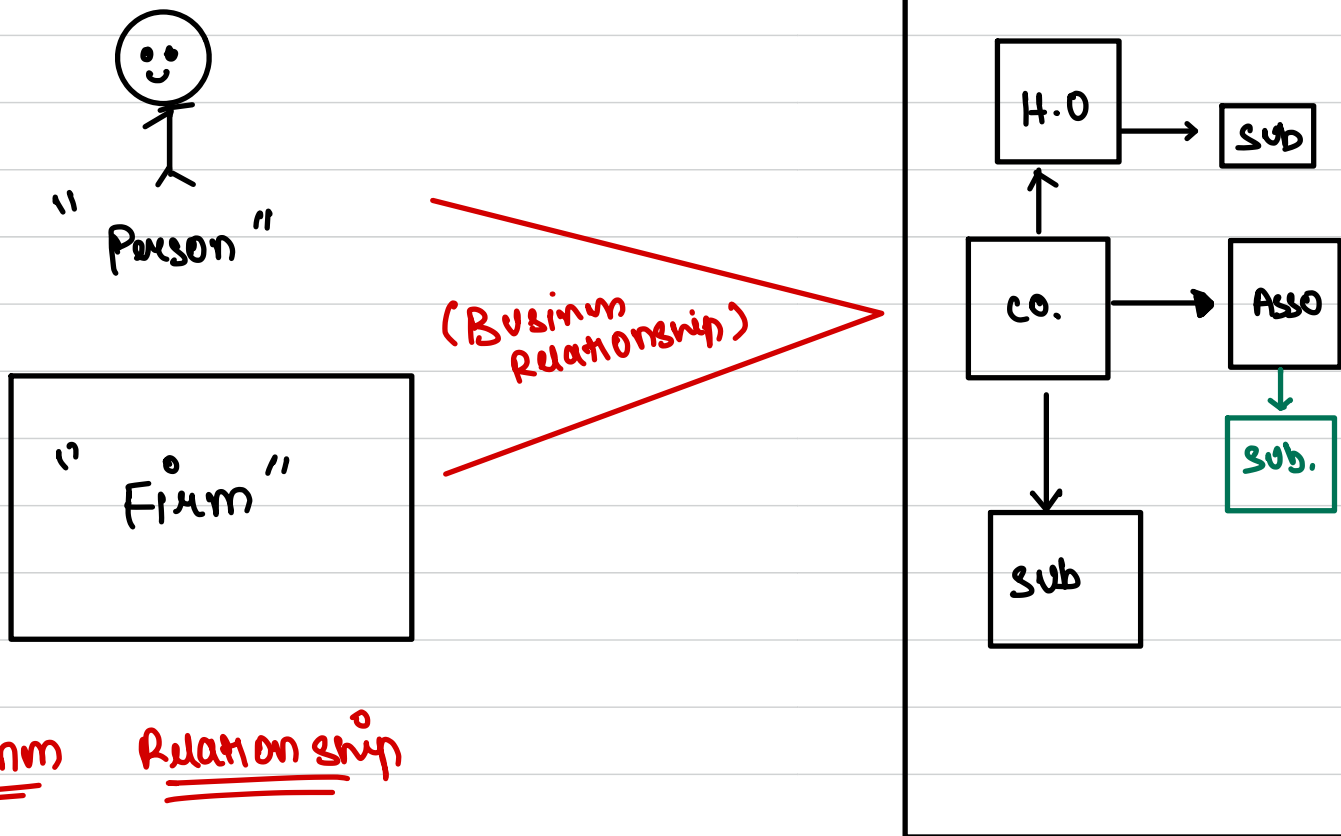
— has given guarantee in connection to third person in excess of 100,000

Cases:

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

②. M. R, relative of A holds security of 90,000 / 1,02,000 Face Value in ABC Ltd.
A → Eligible?
✓ ✗

lec 02



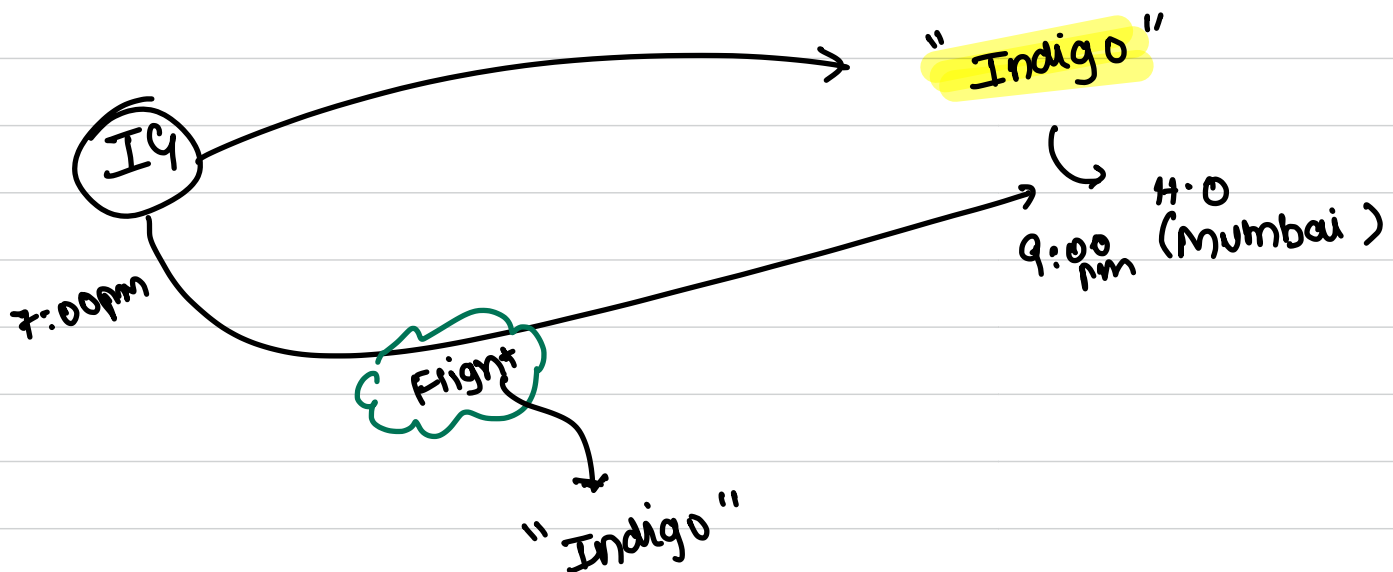
Business Relationship

Any txn which has commercial purpose.

Except

1. Permitted txn

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



- Tooth paste.

Σ 10.

- Flight

Normally flight cost - 7000

charged 7000 - ALP

charged

3000

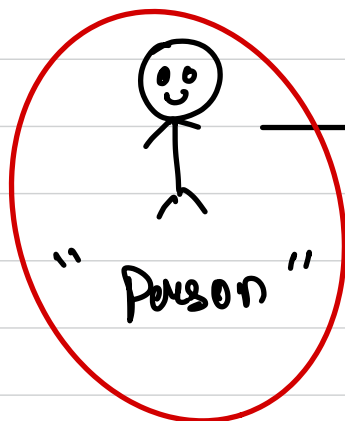
only to

auditor

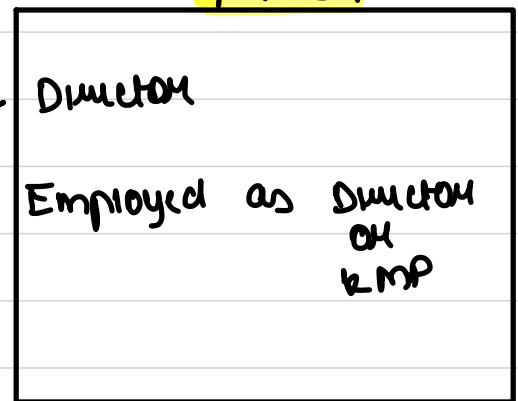
- NOT an ALP

↓
Person who has applied as auditor.

141(3)(b)



The Co.



Case

1.



Daughter's husband → CEO of Britannia

MHA



x



Britannia

good day (sub)

Appointment of auditor

First Auditor

Subsequent auditor

Non govt co.

Sec 139 (6)

• BOD 30D

↓
Fails

• members 90D
EGM

govt co.

139(7)

• CA9 - 60D

↓ Fail

• BOD 30D

↓ Fails

• Members 60D

Non govt

• At 1st AGM
Co. shall appoint
Indiv / Firm as
auditor

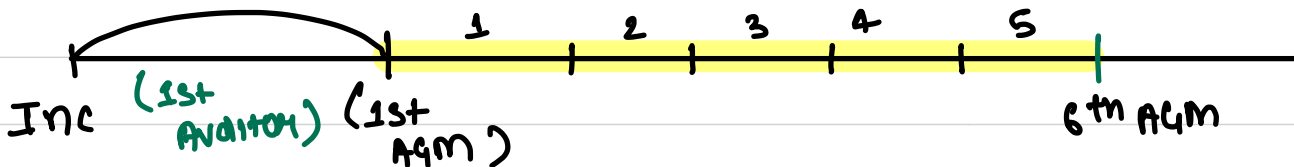
• Tenure

conclusion of
that meeting
till conclusion of
Sixth AGM.

Every year
appoint
(within
180 Days)

govt

Tenure: Till conclusion
of 1st AGM.



conclusion of
that meeting

Tenure = 5 years