

Marks :20	<b>FYJC</b> <b>Subject : Secretarial Practice</b> <b>Topic – Chapter 6</b>	Time : 45 mins.
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## SOLUTION

### Q.1.A.

- 1 -- fifteen,
- 2 – twenty,
- 3 -- ten,
- 4 -- Statutory,
- 5 -- Whole-time director

B. a - 5, b - 6, c - 2, d - 7, e - 1

### Q.2 Explain the following terms/ concepts

#### 1. Director

**Ans.** As per section 2(34) of the Act, Director means a director appointed to the Board of the company.

Simply speaking Director is a person appointed to manage, direct and supervise the affairs of a company.

Only an Individual can be appointed as Director. It means a body corporate, association or firm cannot be director of the company.

In public company minimum three (03) directors shall be appointed and in case of private company minimum two (02) directors shall be appointed.

Upto fifteen (15) Directors are allowed to be appointed. If a company required more than fifteen it should pass a special resolution.

#### 2. Independent Director

**Ans.** Any Director other than a Managing Director, Whole Time Director or a Nominee Director is Independent Director as per Section 149 of the Act.

Independent Director holds office for a term upto five (5) consecutive years and is eligible for reappointment.

Independent Director cannot hold office for more than Two (2) consecutive terms.

The person is expected to possess appropriate skill, experience and knowledge in the fields of law, finance, management, sales and operations concerning company's business.

#### 3. Non Executive Director

**Ans.** This category is not involved in day to day management of the company and therefore hold no executive managerial positions.

In fact Non- Executive Director is labelled as 'Outside Director'.

The idea behind this appointment as to get independent ideas, perspective, second opinions, and alternate voice to the Board.

### Q.3

1 - True, 2 - false, 3 - false, 4 - false