

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 7

- NOTE :** 1. Answer SIX questions including Question No.1 which is compulsory.  
2. All references to sections relate to the Companies Act, 2013 unless stated otherwise.

1. (a) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :
- (i) Limited liability partnership (LLP) is an incorporated partnership formed and registered under \_\_\_\_\_.
  - (ii) A \_\_\_\_\_ though entitled to attend a general meeting and vote on a poll, yet cannot participate in the discussion.
  - (iii) For formation of a 'one person company', person forming the company must be \_\_\_\_\_, who is an Indian citizen, resident in India.
  - (iv) At any general meeting, a resolution put to vote at the meeting shall, unless a poll is demanded or the voting is carried out electronically, be decided on a \_\_\_\_\_.

(1 mark each)

- (b) State, with reasons in brief, whether the following statements are true or false :
- (i) The members of an unlimited company are directly liable to the creditors of the company.
  - (ii) Auditor of a government company is appointed or reappointed by the Central Government on the advice of Comptroller and Auditor General of India.

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- (iii) When a company makes any allotment of shares or securities, it is required to file a return of allotment of shares or securities in e-Form PAS-3 to the Registrar of Companies within thirty days of such allotment including particulars of allotment.
- (iv) At an adjourned general meeting of the members of the company, new business which was not slated on the original agenda can also be transacted and resolutions passed.

*(2 marks each)*

(c) In relation to e-Form No. FC-4, state the —

- (i) Reasons of filing the form
- (ii) Particulars required to be filled in the form
- (iii) Documents to be attached with the form
- (iv) Fee to be paid.

*(4 marks)*

(d) Examining the provisions of the Companies Act, 2013 relating to payment of compensation for loss of office of a Managing Director/Director, state whether such compensation may be paid to such Managing Director/Director in the following situations :

- (i) A Director who resigns from his office as a result of amalgamation and appointed as such in the new company (amalgamated company).
- (ii) Where the company is being wound-up due to negligence of the Managing Director/Director.

*(4 marks)*

2. (i) Jyoti Ltd. is going for the public issue of 8% non-convertible debentures of ₹1,000 each. The company, in accordance with the provisions of the Companies Act, 2013 and Regulation 6(8) of Schedule III of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 has to submit a 'due diligence certificate' to SEBI. Draft a 'due diligence certificate'.

*(4 marks)*

: 3 :

- (ii) Authorised share capital of Divya Ltd. is ₹10 crore divided into equity shares of ₹10 each. The Board of directors decides to sub-divide the shares into the shares of ₹5 each. The company has to pass necessary resolution to give effect to the above proposal of the Board. Draft necessary resolution and explanatory statement thereto stating the kind of resolution, and the meeting in which such resolution can be passed.

*(4 marks)*

- (iii) In relation to transmission of shares, answer the following :

- (a) Whether the execution of transfer deed by the person applying for transmission of shares is required ?
- (b) What documents are required to be submitted to the company as evidence of the claim ?
- (c) Whether the person applying for transmission of shares is required to comply with the payment of stamp duty ?

*(4 marks)*

- (iv) Vimal Ltd. wants to invite public for the acceptance of deposits. The company has achieved a turnover of ₹600 crore during the financial year 2014-15. Explaining the provisions of the Companies Act, 2013, advise the company on the following :

- (a) Whether the company shall be called an 'eligible company' ?
- (b) The extent to which the company can accept deposits from the public.
- (c) Procedure to be adopted by the company in this regard.

*(4 marks)*

3. (a) The Managing Director of Shine Ltd. stood as surety for the repayment of loan taken by the company for which he was paid guarantee commission. Does this commission amount to managerial remuneration ? Support your answer with decided case law, if any.

*(4 marks)*

- (b) The Board of directors of a limited company has duly delegated its powers to approve the annual accounts of the company for the year 2014-15 to a committee of directors. The said committee considered such accounts and approved the same before the accounts

were handed over to the statutory auditor of the company. Will you accept approval of annual accounts by such committee and why ?

*(4 marks)*

- (c) Akhil is a director in two companies and he had attended Board meetings of both the companies at different timings on the same date. In this regard, answer the following —

- (i) Can he draw travelling allowance from both the companies ?
- (ii) Is he entitled to receive sitting fee fully from both the companies ?

*(4 marks)*

- (d) "Under the Companies Act, 2013, certain companies are required to conduct secretarial audit." Discuss with reference to the qualification required for the secretarial auditor and also on the responsibility of the Board of the company on the secretarial audit report.

*(4 marks)*

4. (a) Kamara Ltd. was incorporated on 1<sup>st</sup> January, 2016 under the Companies Act, 2013. You being the Company Secretary, advise the company on the following :

- (i) The manner in which first directors of the company are to be appointed; and
- (ii) The manner in which directors appointed at the general meeting of the company, retiring by rotation and re-appointed.

*(4 marks)*

- (b) State the applicability of internal audit to specified companies and discuss the eligibility of persons who can carry out such audit.

*(4 marks)*

- (c) Referring to the provisions of the Companies Act, 2013, examine the validity of following contributions made during the financial year 2014-15 :

- (i) The Board of directors of Holy Ltd. contributed for a charitable purpose, a sum equivalent to 10% of the average net profits of the immediately preceding three years.

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- (ii) Samta Ltd. is a company in which the Central Government holds 60% of the paid-up share capital. The Board of the company decides to contribute for political purpose, a sum equivalent to 10% of the net profits of the company earned during the immediately preceding three financial years.

*(4 marks)*

- (d) As the Company Secretary of Joy Ltd., you are required to make a report on Corporate Governance in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. State the information to be incorporated in the Annual Report of the company presented to the members in the annual general meeting on Corporate Governance relating to :

- (i) Board of directors; and  
(ii) Disclosures.

*(4 marks)*

5. (a) Referring to the provisions of the Companies Act, 2013, explain the statutory duties of a Company Secretary in relation to the following :

- (i) Declaration regarding compliance with the requirements of registration of a company.  
(ii) Authentication of documents, proceedings and contracts  
(iii) As compliance officer of a listed company.

*(4 marks)*

- (b) Board of directors of Vira Ltd., incorporated under the Companies Act, 2013 wants to appoint a Company Secretary in Practice for the company's secretarial audit. The Board seeks your advice about the procedure to be followed in this regard. Advise.

*(4 marks)*

- (c) Explaining the provisions of the Companies Act, 2013 relating to the constitution of audit committee, examine whether the following companies are required to constitute an audit committee :

- (i) Bright Ltd. having paid-up share capital of ₹5 crore.  
(ii) Moon Ltd. having a turnover of ₹490 crore in a financial year.

Both these companies are not listed at any of the stock exchanges. Also state the functions of audit committee to be performed on its constitution.

*(4 marks)*

- (d) A professional firm, Lekha & Co. was engaged by a company for maintaining its accounting and book keeping records. Subsequently, it was noticed that the same firm Lekha & Co. was also being considered for appointment as auditors for audit of its accounts for the year ended 31<sup>st</sup> March, 2016. Examine the validity of the act of the company with reference to the provisions of the Companies Act, 2013.

*(4 marks)*

6. (a) Examine the validity of the following issues with reference to provisions contained under the Companies Act, 2013 :
- (i) Few shareholders object in a petition before the Company Law Board the shifting of registered office of the company to another State.
  - (ii) Consequent upon the change in its name, the company approached for transfer of leasehold interest in favour of its new name under a supplementary agreement.
- (b) Examine the validity of following appointment as auditors of Minu Ltd. :
- (i) Shashank, who was appointed as an auditor at the company's annual general meeting, has completed 5 years. The company has again appointed him as auditor of the company for another 5 years.
  - (ii) Piyush & Co., an audit firm, has completed 5 years as auditors of the company. The firm has again been appointed for another 5 years in the company's annual general meeting.
- (c) In relation to the appointment of Managing Director in a public limited company, state the legal requirements to be complied with for filing of documents with the Registrar of Companies and the e-forms used in this regard.
- (d) Rare Ltd. is not doing any business for the last three years. Directors of the company seek your advice for filing an application for the status of the dormant company. Advise the directors about the conditions and procedures for obtaining the status of dormant company.

*(4 marks each)*

7. Attempt *any two* of the following :

(a) State the contents of 'directors' responsibility statement' as contemplated under section 134(5) to form part of the Directors' Report.

(8 marks)

(b) A limited company will have to get certain resolutions passed only through postal ballot instead of transacting the business in the general meeting of the company. Discuss.

(8 marks)

(c) The Board of directors of a company in a meeting held on 30<sup>th</sup> April, 2015 declared interim dividend. In another meeting held on 18<sup>th</sup> May, 2015, they revoked the interim dividend declared without assigning any reasons. Critically examine the matter.

(8 marks)

8. Write notes on the following. Attempt *any four* :

(i) Vigil mechanism for directors and employees

(ii) Resolution by circulation

(iii) Transposition of names of members in case of joint shareholders

(iv) Disclosure of interest by directors

(v) Resolution requiring special notice.

(4 marks each)