

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 6

NOTE : 1. Answer **ALL** Questions.

2. All references to sections relate to the Companies Act, 2013 unless stated otherwise.

1. Comment on the following :

- (a) Is it mandatory for every public company to appoint Key Managerial Personnel ?
- (b) A petition to the National Company Law Tribunal for winding up of a company shall be presented only by the company and not by any contributory.
- (c) It is not mandatory for every company issuing debentures to create a debenture redemption reserve account.
- (d) The Articles of Association may contain provisions for entrenchment.

(5 marks each)

Attempt all parts of either Q. No. 2 or Q. No. 2A

2. Distinguish between the following :

- (a) Winding up and striking off name of companies.
- (b) Limited Liability Partnership and Partnership firm.
- (c) Pre-scrutiny and Check form.
- (d) Mortgage and Charge.

(4 marks each)

OR (Alternate question to Q. No. 2)

- 2A.** (i) Malafied Ltd. would like to forfeit the shares allotted to a shareholder for non-payment of final call. The company has sent the notice to the address as per the records of the company and forfeited the shares. The defaulter objects the forfeiture on the ground that he did not receive the notice. Explain the validity of the objections raised by the defaulted shareholder.
- (ii) “Every company can issue shares with differential voting rights up to 50% of its share capital”. Validate this statement with a brief answer.
- (iii) Your company has constituted an Audit Committee. As the Company Secretary, prepare a note on the role of Audit Committee on related party transactions.
- (iv) Arohan Ltd., an unlisted company is having its corporate office in Kolkata. It is having registered office in New Delhi and wants to call its annual general meeting in Mumbai on 1st September 2019. Can the company do so as per the provisions of the Companies Act, 2013 ?

(4 marks each)

Attempt all parts of either Q. No. 3 or Q. No. 3A

- 3.** (a) Sec. 186 and Sec. 185 dealing with loans and investments by companies speak about loan given to directors and employees and not about any investment made by one corporate body in another. Referring to the provisions of the Companies Act, 2013 validate the above statement.

(4 marks)

: 3 :

- (b) An investigation into the affairs of a company has been ordered by National Company Law Tribunal in public interest (Sec. 210). As a Company Secretary to handle the investigation with courage and confidence, what are the major aspects to be considered ?
(4 marks)
- (c) Beauty Ltd. wants to include additional grounds for vacation of office of directors in the Articles of Association of the company. Can the company do so under the provisions of the Companies Act, 2013 ? What will be your answer if this company is private Ltd. ?
(4 marks)
- (d) ESS Ltd., a government company was incorporated on 1st June 2018 and appointed first auditor on 15th July 2018. Explain as to whether ESS Ltd. has complied with the provisions of the Companies Act, 2013 ?
(4 marks)

OR (Alternate question to Q. No. 3)

- 3A.** (i) ABC Ltd. has accepted deposits from the public for three years with interest payable at 8% p.a annually or at the end of three years at 9% p.a . One depositor “D” has requested the company for repayment of deposit after one year. Is the depositor eligible to get repayment before maturity period ? Answer with legal provisions.
(4 marks)
- (ii) A widow applies for transmission of shares standing in the name of her deceased husband without producing a succession certificate. The company officials insist for succession certificate as mandatory for transmission of shares of the deceased person. The widow represents again and again requesting for transmission explaining her inability to submit the succession certificate. Can the directors of the company transmit the shares to the widow ? Advise the company.
(4 marks)

: 4 :

(iii) Shyam Agarwal wants to incorporate a company in the name and style of Raghav Forest Corporation Ltd. in the state of Himachal Pradesh. Can a company be incorporated with the said name ? Referring to the provisions of the Companies Act, 2013 and you being a practicing Company Secretary, advise the promoters.

(4 marks)

(iv) Gopal Kabra who is a member of Shakti Ltd. wants to inspect the Register of deposits maintained by the company as required under the provisions of the Companies Act, 2013 and rules made thereunder. The Company Secretary has refused to show the register for inspection. Comment on the action of the Company Secretary referring to the provisions of the Companies Act, 2013,

(4 marks)

4. (a) MNO International Financial Service Company is a subsidiary of Lee Ltd of Japan, established in SEZ of India. The holding company Lee Ltd follows calendar year as financial year. MNO-IFSC also proposes to follow the same financial year as of holding company. Is it necessary to take approval of the National Company Law Tribunal ?

(4 marks)

(b) “Shareholders are liable to pay on the money due on shares even if assets of the company exceed its liability.” Is this statement true as per the provisions of the Companies Act, 2013 ?

(4 marks)

(c) XY Ltd. is the holding company of Z Ltd. Can Z Ltd acquire shares of its holding company XY Ltd. ? Advise as a practicing Company Secretary.

(4 marks)

: 5 :

(d) P Ltd. intends to raise share capital by issuing equity shares in different stages over a certain period of time. However, the company does not wish to issue prospectus each and every time of issue of shares. Considering the provisions of the Companies Act 2013, discuss what formalities P Ltd. should follow to avoid repeated issuance of prospectus ?

(4 marks)

5. (a) The basic principle of non-interference with internal management of company by the court was laid down in a celebrated case of *Foss Vs. Harbottle*. Discuss the rule with its exceptions.

(b) Rahul has to claim certain shares and unclaimed dividend from Ocean Ltd which has transferred it to Investor Education and Protection Fund (IEPF). Discuss the procedure to be followed by Rahul in terms of relevant rules notified in this regard.

(8 marks each)

6. (a) RST Ltd. proposes to convene the board meeting for approval of the Board's report through video conferencing and seeks your advice for the same. Further clarify who will be signing the Board's report as per the provisions of the Companies Act, 2013 ?

(4 marks)

(b) With reference to the following queries of Sangita, Chief Executive Officer of South Village Fresh Farmers Producer Company Ltd., how would you deal with them as per the Companies Act, 2013 ?

(i) There has arisen a dispute relating to management of the entity.

(ii) The entity wants to amend its Articles relating to quorum for general meeting which would stipulate that three fourth of total members shall be the required quorum for its general meeting.

(4 marks)

: 6 :

(c) Independent directors (ID) of a listed company decided to convene a meeting of IDs on their own. Non-Independent directors objected to and called it as illegal. Offer your views referring to the provisions of the Companies Act, 2013 and rules made thereunder.

(4 marks)

(d) Bispasha is the Vice President (Business Development) of Embee Hardwares Ltd., a listed entity. The company decided to terminate the services of Bispasha due to gross misconduct and negligence in her duties. The company also found that Bispasha has not returned the laptop given to her for official work. Discuss what action can be taken by the company to regain possession of the laptop ?

(4 marks)

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