

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

NOTE : 1. Answer SIX questions including Question No.1 which is compulsory.
2. All references to sections relate to the Companies Act, 1956 unless stated otherwise.

1. (a) As a Company Secretary of a public company, how will you deal with the following situations arising at an annual general meeting ? Give reasons in support of your answer :

- (i) Xavier, a member, appointed Yuvraj and failing him Zahir as proxies to attend and vote at an annual general meeting on his (Xavier's) behalf. Both Yuvraj and Zahir were present at the venue of the meeting. Yuvraj was admitted in the hall of the meeting 15 minutes before the scheduled time. Five minutes before the scheduled time of the meeting, Xavier himself appeared at the entrance of the hall and presented himself for the meeting.
- (ii) After all the items of the meeting were dealt with, the chairman proposed the resolution for appointment of sole-selling agent having more than 5% interest in the company whose paid-up capital was Rs.3 crore.
- (iii) Under special business, the appointment of managing director Guru was proposed at a remuneration of Rs.24 lakh per annum. However, a member proposed modification to the resolution saying that due to financial position of the company being not that good to pay such remuneration and proposed for a remuneration of Rs.18 lakh which was seconded by another member.

(5 marks each)

- (b) (i) The articles of association of Roler Koster Ltd. provided that the quorum for the general meeting would be one third of the total number of members. Total number of members was 18 with same number of folios. However, out of these 18 members, 3 are dead about whom the company has no official notice and their names are still appearing in the register of members. What would be the quorum for the general meeting ?

(3 marks)

- (ii) In the above case, assuming that out of 15 members who are alive, 3 are minors, whether they should be excluded for calculating the quorum ? In such a case, what would be the quorum ?

(2 marks)

2. Your assistant has placed before you the following draft notice of forthcoming annual general meeting. You are required to locate the errors therein, if any, and properly re-draft the same alongwith explanatory statement wherever required :

ABC LIMITED

Registered Office: 4, Anna Road, Chennai – 600 001

NOTICE TO ANNUAL GENERAL MEETING

TO THE DIRECTORS :

Notice is hereby given that the 10th General Meeting of the company will be held at the Admn. Office of the company at 31st Rajaji Road, Chennai at 11.00 P.M. on Sunday, the 24th September, 2006 to transact the following business :

- (i) To finalise the annual report for the year ended 31st March, 2006.
- (ii) To confirm the interim dividend already paid and to recommend the final dividend.
- (iii) To re-appoint X and Mrs. Y both retire by rotation as directors of the company.
- (iv) To confirm the appoint of Z, who was co-opted as additional director on 26th March, 2006 by the Board.
- (v) To appoint auditors.
- (vi) To amend the object clause of the memorandum of the company.

I request the members of the Board to make it convenient to attend the meeting.

Thanking you

Yours truly,

Chennai
17th Sept., 2006

(A.B.C)
Chief Financial Officer
(16 marks)

3. Draft the specimen resolutions along with requisite explanatory statement, wherever necessary, for transacting the following items of business indicating the kind of meeting at which each resolution is to be passed and the type of resolution required for. Attempt *any four* :
- (i) Calling a general meeting by the company.
 - (ii) Approving transfer of shares.
 - (iii) Shifting registered office within the same city.
 - (iv) Declaration of interim dividend.
 - (v) Sub-division of equity shares of Rs.10 each into face value of Re.1 each.

(4 marks each)

4. (a) Draft a specimen notice for 'book closure' of a company whose shares have been dematerialised.
(6 marks)
- (b) Outline the procedure for removal of the statutory auditor.
(6 marks)
- (c) The Board of directors of Aas Pass Ltd. set up an audit committee comprising 4 members but did not fix the quorum . Can 2 members of the committee present at a duly convened meeting validly transact the business ?
(4 marks)
5. State, with reasons in brief, whether the following statements are true or false by stating relevant provisions of the Companies Act, 1956 :
- (i) For appointment of an alternate director prior permission of the director to whom he is alternate is required along with special resolution of the members.
- (ii) A public limited company can allot equity shares to 150 persons by filing form No.5 with the Registrar of Companies and no more formalities are required for the same.
- (iii) Filing of Form No.23, in duplicate, is necessary for appointment of directors.
- (iv) A private company can accept deposits from the relatives of directors without any limits.
- (v) Statutory registers can be maintained at a place other than the registered office by passing a Board resolution.
- (vi) Number of directors in a public company fell below 3 and continued to be so till a period of one year. Nothing is wrong if it is so.
- (vii) A private company can make appointment of 3 directors at the annual general meeting by passing a single special resolution.'
- (viii) A payment of interim dividend declared by the Board need not be paid to members on the ground that their judgment about profit was proved wrong.
(2 marks each)
6. Outline the detailed procedure for formation of a public company and also to obtain certificate of commencement of business in the present scenario of e-filing.
(16 marks)
7. (a) Decent Dealings Ltd. wants to shift its registered office from 21, Sadashiv Peth, Pune to 16, Nagindas Master Road, Mumbai. State the procedure to carry out this intention of the Board considering the fact that the State of Maharashtra has two Registrars of Companies one at Pune and other at Mumbai.
(9 marks)

(b) What is 'compounding of offences' ? Who are vested with such powers under the Companies Act, 1956 ? What amount of fines can be levied against the companies ?

(7 marks)

8. Write short notes on *any four* of the following :

- (i) Director Identification Number (DIN)
- (ii) Satisfaction of charge
- (iii) E-filing with registrar of companies
- (iv) E-forms DIN-1 and DIN-2
- (v) Investor Education and Protection Fund (IEPF).

(4 marks each)

