

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. Draft **any five** of the following :

- (i) Letter to directors for passing a resolution by circulation along with draft resolution.
- (ii) Resolution for declaring interim dividend.
- (iii) General meeting resolution for appointment of branch auditor.
- (iv) Notice by a member proposing another member's name for directorship of the company.
- (v) Resolution approving the appointment of Managing Director, notwithstanding that he is already the Managing Director of another company.
- (vi) Resolution to give effect to consolidation of shares made by the company in its memorandum of association.

(4 marks each)

2. (a) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :

- (i) A user can check the status of transactions by entering the _____ on website of MCA-21.
- (ii) The Companies Act, 1956 allows a company to convert its fully paid-up shares into _____.
- (iii) A _____ is allotted at the time of registration of charge.
- (iv) The directors appointed by the principle of _____ hold office for _____ and cannot be removed by the company in general meeting under section 284.
- (v) Casual vacancy in the Board may arise from death, _____ and _____.
(Mention any two other reasons.)
- (vi) The declaration of bonus issue in lieu of _____ is not permitted.

(1 mark each)

- (b) Choose the most appropriate answer from the given options in respect of the following :
- (i) The minimum number of directors of the audit committee in the case of a listed company with 12 directors shall be —
 - (a) 2 Directors
 - (b) 3 Directors
 - (c) 4 Directors
 - (d) 5 Directors.
 - (ii) The Central Government may exempt any class of companies from complying with the provisions of Schedule VI of the Companies Act, 1956, if it is necessary to grant such exemption in the —
 - (a) National interest
 - (b) Public interest
 - (c) Social interest
 - (d) Company's interest.
 - (iii) In a listed company with 11 directors, what is the quorum for the Board meeting —
 - (a) 2 Directors
 - (b) 3 Directors
 - (c) 4 Directors
 - (d) 5 Directors.
 - (iv) A casual vacancy arising out of resignation of company's auditor can be filled by —
 - (a) Company in general meeting by ordinary resolution
 - (b) Company in general meeting by special resolution
 - (c) Board of directors
 - (d) Audit committee.
 - (v) Which one of the following sections of the Act specifies that the provisions of the Companies Act, 1956 override the provisions in the memorandum of association —
 - (a) Section 2
 - (b) Section 4
 - (c) Section 9
 - (d) Section 13.

(1 mark each)

- (c) Expand the following :
- (i) EDIFAR
 - (ii) SRN
 - (iii) SARFAESI
 - (iv) ISC
 - (v) ESPS.

(1 mark each)

3. (a) State, with reasons in brief, whether the following statements are true or false :
- (i) A fresh notice of every adjourned meeting is necessary.
 - (ii) A proxy shall not be entitled to vote on show of hands in a general meeting.
 - (iii) In terms of Clause 49 of the listing agreement, not less than 40% of the Board of directors shall consist of independent directors.
 - (iv) Resignation of a whole-time director shall take effect once it is tendered.
 - (v) Provisions of section 372A do not apply in the case of loan/guarantee by a company to another company in which it is holding 90% of the paid-up capital.
- (2 marks each)*
- (b) "Variation of members' rights is hanging like Democles' sword on the members in the present liberalised global economy." Do you agree with this statement in Indian context ? Support your answer with reasons.
- (6 marks)*
4. (a) For consideration of certain items of business, special notice is required to be given. Comment.
- (4 marks)*
- (b) Discuss the procedure for removal of a director by the Central Government.
- (4 marks)*
- (c) It is mandatory that the Company Secretary shall be the compliance officer of a company. Comment.
- (4 marks)*
- (d) Discuss the terms of reference for audit committee.
- (4 marks)*
5. (a) What is directors' and officers' liability insurance ?
- (6 marks)*
- (b) How does a director resign from the Board of directors in a private limited company, if the Board fails to accept his resignation ?
- (6 marks)*
- (c) The articles of association of a company incorporated in 2001 provided that a director should hold 2,000 shares of the value of Rs.10 each as qualification shares. At the annual general meeting held in September, 2003, an ordinary resolution was passed increasing the share qualification of directors to 6,000 shares. The company then issued notice to the directors who did not hold 6,000 shares to acquire additional qualification shares within one month. Madhok, a director who was asked to acquire additional qualification shares, received the notice. He seeks your advice. What advice would you give him ?

(4 marks)

6. (a) Anmol Ltd. in its annual general meeting appointed all its directors by passing one single resolution. No objection was made to the resolution by any one present in the meeting. Examine the validity of the appointment and subsequent acts of the Board of directors explaining the relevant provisions of the Companies Act, 1956. Will it make any difference, if Anmol Ltd. is a government company ?
(8 marks)
- (b) As a Company Secretary, draft a specimen notice of disqualification under section 274(1)(g) for a director of your company who is otherwise eligible for re-appointment in the ensuing annual general meeting.
(4 marks)
- (c) Madhav, a chartered accountant, is a director in MNL Ltd. The company proposes to appoint/engage the firm M & Co., in which Madhav is a partner in one or more of the following capacities :
- (i) Consultants on regular retainer basis.
 - (ii) Auhorised representatives to appear before tribunals.
- Discuss whether the provisions of section 314 are attracted in the above situations.
(4 marks)
7. (a) Enumerate the procedure for conversion of a public company into a private company.
(8 marks)
- (b) Write notes on **any two** of the following :
- (i) Filing of document in physical form in the context of MCA-21
 - (ii) Corporate Identification Number (CIN)
 - (iii) Directors' responsibility statement.
- (4 marks each)
8. Distinguish between **any four** of the following :
- (i) 'Preferential issue' and 'issue of preference shares'.
 - (ii) 'E-Form 20' and 'e-Form 20A'.
 - (iii) Meaning assigned to 'insider' and 'connected person' in the SEBI (Prohibition of Insider Trading) Regulations, 1992.
 - (iv) Procedure for appointment of 'cost auditor' and 'statutory auditor'.
 - (v) Appointment of a Company Secretary by a private company under 'the Indian Law' and 'the Law in the United Kingdom.'
- (4 marks each)