

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, 1956 unless stated otherwise.

1. Attempt **any four** of the following :

- (i) Draft a resolution with associated requirements altering articles of association of the company to include restrictions as specified in section 3(1)(iii) converting DJA Limited into DJA Private Limited.
- (ii) Premier Garments and Textiles Ltd. intending to utilise the Government subsidy for installation of solar power generating plants, finds that such an item of business is included in the other objects clause of its memorandum of association. The company seeks your advice for getting necessary resolutions passed by members before commencement of that business. Advise the company.
- (iii) Board of directors of a listed company finds that some of its equity shareholders have not responded to the notice of the company calling for payment of first and final call money of ₹5 per share on which ₹5 per share has already been paid-up. Your advice is sought to send a notice to those shareholders fixing a time-limit of 3 weeks from the date of the notice and cautioning them that if the company does not receive payment of calls-in-arrears within the period specified, their shares will be liable to be forfeited. Draft a letter to be issued to the defaulting shareholders with the authority of the Board.
- (iv) Board of directors of XYZ Ltd. having decided to get its shares listed on the Bombay Stock Exchange Ltd. and the National Stock Exchange Ltd., desires to include the requisite clauses in its articles of association for dematerialisation of shares and securities issued by the company. You are required to draft a notice convening an extraordinary general meeting of the company including suitable resolution with explanatory statement for this purpose.
- (v) Prepare a scrutinizer's report relating to postal ballot. Assume facts.

(5 marks each)

2. (a) State, with reasons in brief, whether the following statements are true or false :
- (i) Every director of a company including director of a foreign company having a branch office in India is mandatorily required to have a DIN (Director's Identification Number).
 - (ii) The proposed name of a company approved by the Registrar of Companies shall be reserved for 30 days only from the date of approval, failing which it will get lapsed but cannot be allotted to any other applicant.
 - (iii) A limited liability public company can be incorporated when the paid-up share capital is at least ₹10 lakh.
 - (iv) In case where there are more than one Registrar of Companies within the same State, confirmation of the Regional Director is compulsory for change in the place of the company's registered office from one city to another city within the same State.

(2 marks each)

- (b) In relation to e-Form 25B, state the :

- (i) Reasons for filing this form
- (ii) Information required to be given
- (iii) Documents required to be attached
- (iv) Persons who will sign it digitally.

(1 mark each)

- (c) Distinguish between the following. Attempt **any two** :

- (i) 'Holding company' and 'subsidiary company'.
- (ii) 'Redemption of debentures' and 'rollover of debt securities' for a listed company.
- (iii) 'Additional director of a producer company' and 'nominee director of a company'.

(2 marks each)

: 3 :

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

- (i) As per section 113, every company should deliver the share certificates within _____ from the date of allotment of shares to the person to whom such shares are allotted and within _____ from the date of receipt of application for transfer of shares to the person to whom the shares are transferred.
- (ii) Certificates of securities bought-back should be physically destroyed within _____ from the date of _____ of buy-back.
- (iii) As per section 68B, every listed company making an initial public offer (IPO) of any security for a sum of ₹ _____ or more shall issue the same only in _____ in accordance with the provisions of the Depositories Act, 1996.
- (iv) After incorporation of a company, the first auditor is appointed by the _____ and he holds office till _____.

(2 marks each)

(b) Write the most appropriate answer from the given options in respect of the following :

- (i) Which e-Form is required for recording particulars for registration of charges for debentures —
 - (a) e-Form 8
 - (b) e-Form 10
 - (c) e-Form 14
 - (d) e-Form 18.
- (ii) When a poll is demanded by members on any matter (other than election of Chairman of the meeting or adjournment of the meeting), the Chairman should decide the time and conduct the poll within —
 - (a) 4 Hours
 - (b) 12 Hours
 - (c) 24 Hours
 - (d) 48 Hoursfrom the time when the demand for poll was made by the members.

- (iii) Fresh notice for an adjourned meeting is required if it is held after —
- (a) 7 Days
 - (b) 14 Days
 - (c) 21 Days
 - (d) 30 Days.
- (iv) Every balance sheet and profit and loss account of a company (not being a banking company) shall be signed on behalf of the Board by at least —
- (a) One director
 - (b) Two directors
 - (c) Three directors
 - (d) Majority of directors of the company in a situation where 10 out of 12 directors are present in the country.

(1 mark each)

- (c) PQR Ltd. decides to increase the number of directors on its Board. The company already has 12 directors. The articles of association of the company do not empower the company to increase the number of directors. As the Company Secretary of PQR Ltd., prepare the procedure to be followed to give effect to the proposal of the company.

(4 marks)

4. (a) State the duty of a statutory auditor when he notices that one or more of the directors become disqualified to hold the office of director in the company.

(4 marks)

- (b) When shall a director of a company be called 'interested director' in awarding a contract ? As the Secretary of the company, what procedure would you adopt for awarding a contract to such a director ? Advise.

(4 marks)

- (c) The Board of directors of a public company is considering appointment of a private company in which one of the directors of the company is a member to an office of profit in the company carrying a remuneration of ₹3 lakh per month. As the Secretary of the company, what procedure would you advise the company to follow ?

(4 marks)

- (d) In what ways the composition of the Board of directors of a company is regulated under the provisions of clause 49 of the listing agreement ? State as to who may be appointed as an independent director in a company.

(4 marks)

5. (a) A listed company having paid-up capital of ₹4.5 crore, not employing a Company Secretary, is in need of a compliance certificate in accordance with the proviso to section 383A. If you as a Practising Company Secretary are approached to issue the compliance certificate, how will you go about the task of issue of compliance certificate to that company. What are the documents, records and information you will ask the company to produce for verification before issue of 'compliance certificate'.

(8 marks)

- (b) Registrar of Companies after complying with the provisions of section 560, struck-off the name of Filominer Exports Ltd. as a defunct company. Creditors of the company aggrieved by this, seek your advice for restoring the name of the company on the ground that the company is capable of carrying on its export trade so that they can recover their dues. What will be your advice to the creditors of that company ?

(4 marks)

- (c) A.K. Property Developers Ltd. engaged in the business of real estate and construction of commercial and residential complexes has been making very good progress and recorded double the profit for the year ended on 31st March, 2013 than the previous year. The company declared and paid 40% dividend to the shareholders for the previous year ended 31st March, 2012. The company having invested its funds heavily in acquiring land for future development finds it difficult to mobilise funds to pay dividend to shareholders. Managing Director of the company is planning to get the Board's approval for declaration of bonus shares out of the huge accumulated free-reserves of that company to satisfy the shareholders and thus manage the cash flow problem by skipping dividend. As the Secretary of the company, what will be your advice, if the Board of directors tends to decide in line with the Managing Director's proposal.

(4 marks)

6. (a) You being the Secretary of a company have received certain instruments for transfer of shares. What precautions would you take before registering the transfers as regards possibility of those being forged transfers ? What consequences follow in case the transfers in question are forged ? Explain.
(4 marks)
- (b) State the functions of a Company Secretary in Practice in relation to corporate restructuring.
(4 marks)
- (c) Examining the provisions and Schedule XIII to the Companies Act, 1956, as the Company Secretary, state the procedure you would follow for fixation of remuneration of the Managing Director of your company.
(4 marks)
- (d) What are the special features of the Corporations Act, 2001 of Australia, which are distinct and different from the provisions of the Companies Act, 1956 in India.
(4 marks)
7. (a) State the extent to which the Board of directors of a company has power to change the financial year of the company. Explain the procedure in this regard as provided under the Companies Act, 1956.
(4 marks)
- (b) Under what circumstances a person appointed as a small shareholders' director ceases to be the director of a company in which he has been so appointed ?
(4 marks)
- (c) What are the reporting requirements for transactions in securities entered into by the directors of a listed company and the designated employees ? Explain.
(4 marks)
- (d) The Board of directors of Vir Ltd. declared an interim dividend for the second time during the financial year 2012-13. After declaration, the Board of directors decided to revoke the second interim dividend as they noticed that the company's financial position did not permit to declare second interim dividend. The Board of directors seeks your advice in the matter. As the Secretary of the company, advise the Board.
(4 marks)

8. (a) Where the Companies Act, 1956 is silent, secretarial standards issued by the Secretarial Standards Board of the ICSI prescribe the procedure and guidelines for companies to observe *bona fide* to protect the interests of the stakeholders. Comment on this statement with reference to Secretarial Standard–6 and Secretarial Standard–9. (8 marks)
- (b) What is meant by 'trading window' ? (4 marks)
- (c) What are the requirements of compliances under prohibition of insider trading relating to initial disclosure by a member, director or officer of a company ? (4 marks)