

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. In case of resolution, mention the type of meeting and the nature of resolution, but no explanatory statement need to be given :
- (i) Resolution to alter the name clause in the memorandum of association (use appropriate names).
 - (ii) Due diligence certificate to be submitted to SEBI for public issue of debentures (mention the authority to issue).
 - (iii) Resolution approving re-issue of forfeited shares.
 - (iv) Notice to Rajan, a director of XYZ Ltd., informing him that a notice under section 284 to remove him from directorship has been received from an eligible person.
 - (v) Notice from Jolly, a shareholder of Bright Ltd., proposing the name of Virat as a director under section 257.
 - (vi) Explanatory statement to expand the objects clause in the memorandum of association of a company engaged in manufacture of computer components under licence from a company in USA to include development of computer softwares.

(4 marks each)

2. (a) Explain the legal position and suggested action for the following :
- (i) A company is ready with the printed annual report for despatch to all shareholders and there arises a need to hold an extra-ordinary general meeting. The company wants to despatch notice of the annual general meeting and the notice of extra-ordinary general meeting simultaneously in the same envelope.
 - (ii) The articles of association of a private limited company provide that a director should make a fixed deposit of ₹5,000 for being qualified to be a director.

(4 marks each)

- (b) Write the most appropriate answer from the given options in respect of the following :
- (i) The maximum age limit for directors in case of private companies is —
 - (a) 65 years
 - (b) 70 years
 - (c) 75 years
 - (d) None of the above.
 - (ii) Where title in shares of a company is in dispute, the matter has to be resolved by —
 - (a) Court
 - (b) Arbitrator
 - (c) Company Law Board
 - (d) Central Government.
 - (iii) Global Ltd. has the paid-up equity capital structure — Central Government : 38%; State Government : 10%; Subsidiary of a government company : 17.5%; and retail shareholders: remaining shares. Which of the following classes of companies would it belong to —
 - (a) Government company
 - (b) Non-government public company
 - (c) Deemed public company
 - (d) Deemed private company.
 - (iv) Contracts made after incorporation of a public company, but before issue of the certificate of commencement of business are —
 - (a) Provisional contracts
 - (b) Post-incorporation contracts
 - (c) Preliminary contracts
 - (d) Contracts in the normal course of business.

(1 mark each)

- (c) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s):
- (i) In public issue, the facility 'ASBA' stands for _____ .
 - (ii) The proceedings of the meeting will be _____ if conducted in the absence of a quorum.
 - (iii) On satisfaction of complete charge, intimation is required to be given to the Registrar of Companies in prescribed form _____ duly signed by the company and the concerned financial institution/bank.
 - (iv) Increase in authorised capital of the company permitted by the articles of association requires resolution to be passed under section _____ of the Companies Act, 1956.

(1 mark each)

3. (a) State, with reasons in brief, whether the following statements are true or false. Attempt *any two* :
- (i) The non-confirmation of minutes of the meeting by the Board of directors in the next subsequent meeting does not affect the validity of the decision taken in the previous Board meeting.
 - (ii) The doctrine of indoor management is not an exception to the rule of constructive notice.
 - (iii) Annual return of a public company must necessarily be filed annually.
- (2 marks each)
- (b) Assume data and draft the notice of an annual general meeting of a listed public company including therein at least one of the special business items.
- (8 marks)
- (c) During a period of about past one and a half decades, a number of countries in the world have engaged themselves in modernising their respective company laws. Can you identify the motivating factors underlying this effort ? Mention Indian scene in particular.
- (4 marks)
4. (a) Prepare directors' report for Anand Entertainment Ltd., including *inter alia* response to a qualification by auditors of the company for non-payment to creditors from small scale industries sector amounting to ₹5,000. (State only major headings of directors' report without giving any details except for the qualification.)
- (8 marks)
- (b) Elucidate the relevance of Secretarial Standard-4 on registers and records and state its current status.
- (4 marks)
- (c) The case of Dilip Pendse vs. SEBI is highly revealing the susceptibility to misuse of the SEBI (Prohibition of Insider Trading) Regulations, 1992. Briefly give your views.
- (4 marks)
5. (a) Assume yourself to be a Company Secretary in whole-time practice engaged in formation of a public limited company and you are required to give the declaration under section 33(2) in respect of compliance with the relevant provisions of the Companies Act, 1956 and rules framed thereunder as regards registration of the company. By reference to e-form 1, write down the declaration you would be making (keep the space for names blank).
- (6 marks)
- (b) What is bonus issue of shares and how is it authorised and done ? Bring out at least ten important/fundamental conditions to be fulfilled by a listed company to make a bonus issue.
- (10 marks)

6. (a) Explain as to how the provisions of the Companies Act, 1956 relating to audit committee will help in achieving some of the objectives of good Corporate Governance. (5 marks)
- (b) Will the term 'remuneration' cover ESOS or ESOP for determining managerial remuneration ? (5 marks)
- (c) What are the requirements under the listing agreement relating to publication of unaudited quarterly results ? (6 marks)
7. (a) A reputed public company had validly loaned certain sum of money to one of its directors on certain terms and conditions fixing the time limit for repayment thereof. Now, the director concerned has approached the company with a request to extend the time limit for repayment of the balance of loan amounting to ₹12 lakh by another six months. You are required to answer the following with reference to the provisions of the Companies Act, 1956 :
- (i) Who is authorised to grant the extension as requested by the director ?
- (ii) Draft an appropriate notice for the meeting where such extension may be granted. (6 marks)
- (b) A complaint was filed against the petitioner and others under section 220 read with section 162 in their capacity as the officers of a company who had failed to file the balance sheet and profit and loss account in the prescribed form with the Registrar of Companies (ROC). The petitioner being accused No.3 contended that he had held the post of a non-executive director and had resigned long back. It was submitted that in his replies to the earlier show cause notices, this fact was conveyed to the ROC and no communication had been received from the ROC. The petitioner produced his resignation letter to the company and also the minutes of meeting of the Board of directors of the company wherein his resignation was recorded. Decide. (4 marks)
- (c) A company has 100 members. It sends notice of the general meeting to all of them. 20 members do not attend the meeting. Out of 80 members who are present, 20 members abstain from voting. How many members should vote in favour of a resolution, if it is to be passed as a special resolution ? (3 marks)
- (d) Account for the significance of Hong Kong as a vibrant business centre, having some special advantage. Name the law that governs companies in Hong Kong. (3 marks)
8. Write notes on *any four* of the following :
- (i) Online inspection of documents
- (ii) Corporate social responsibility
- (iii) Resolution requiring special notice
- (iv) Chinese wall policy in areas of price sensitive information
- (v) Board meeting through video conferencing. (4 marks each)