

*Roll No. ....*

*Time allowed : 3 hours*

*Maximum marks : 100*

*Total number of questions : 6*

*Total number of printed pages : 16*

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

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

### **Part-I**

#### **1. Case Study :**

Five close school friends Deepanjan, Prosenjit, Srabani, Chandranath and Lipika having brilliant academic record completed thirty years of service in their respective organisations and after retirement decided to do something together which they were all passionate about throughout their life. With this motive they incorporated a private limited company in June, 2017 named Advanced Engineering Advisory Solutions Private Ltd. (AEASPL) to provide engineering advisory services to entities operating in fertiliser and chemical industry. The registered office of the company is situated in Pune.

In order to expand the operations, they gradually converted the private limited company into public limited company in May, 2021. As on date there are six directors of which Deepanjan is Executive Director and Srabani the Managing Director. Lipika has been appointed as Chief Executive Officer in last year. In February, 2023 the company purchased seventy percent equity shares of Bright Technologies Private Ltd. (BTPL), a Hyderabad based company, which had substantial market share in providing consulting engineering services and was recording consistent good profits for last few years.

You have been appointed as a Company Secretary in the company two months ago. Ahead of the board meeting in December, 2025, Deepanjan, Srabani and Lipika has placed the following case situations before you for noting, perusal and advice.

**Case I :** The company AEASPL has 10% preference share capital shown in its balance sheet. The company defaulted in repayment of interest on term loan taken from DHFC Bank (the Bank) though the principal part was duly paid in time. The Bank directed the company not to pay dividend to the shareholders including the preference shareholders. Due to such communication from the Bank the company failed to distribute the dividend on preference shares within the statutory time limit.

**Case II :** The company had closed its register of members in May, August and October in the year 2025 for twelve, ten and fifteen days respectively for corporate actions. The Board of Directors is considering closing the register in December, 2015 for another fourteen days for issue of bonus shares.

**Case III :** AEASPL has received a request from Jagdish, one of the legal representatives of a deceased member Jishu for transmission of 500 equity shares. In the meanwhile, Jesmine, spouse of Jishu, being a joint holder of shares along with Jishu also approached the company for transmission of those 500 equity shares in her favour.

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**Case IV :** Deepanjan updated his colleagues that BCD Co., a LLP of Audit Firm is the present statutory auditor of Bright Technologies Private Ltd. (BTPL). The audit fee charged by them is ₹ 85,000. The Board of Directors of AEASPL resolved to assign investment advisory services to BCD & Co. at a fee of ₹ 50,000. Pulak, a secretarial advisor of the company objected to this resolution stating it is invalid.

**Case V :** The shareholders of AEASPL had passed a special resolution in their meeting held on 29th August, 2025 altering its articles of association empowering the directors to require any shareholder who is doing competing business with the company's business to transfer his shares as directed by the Board. Pradip, a shareholder carrying on a competing business, challenged the validity of the alteration of articles.

Based on the above information and referring to the provisions of the Companies Act, 2013 answer the following :

- (a) Explain, whether the company is liable for punishment for its failure to distribute the dividend on preference shares within the statutory time limit.

(3 marks)

- (b) As regards to Case II, state whether the proposal for closure of register of members in December, 2025 is tenable ?

(3 marks)

- (c) As regards to Case III, examine both the claims of transmission of shares and decide whose claim is valid under law.

(3 marks)

- (d) As regards to Case IV, examine, if the objection of secretarial advisor regarding assignment of investment advisory services to BCD & Co. is justified.

(3 marks)

- (e) As regards to Case V, decide, whether Pradip will succeed in challenging the amendment in articles of association of the company.

(3 marks)

2. (a) Green Roots Organics Private Limited decides to raise funds by accepting deposits from its members. The Board proposes to offer a fixed interest rate of 9% per annum and plans to secure the deposits through a charge on certain movable assets. State, what are the terms and conditions of Deposits from its members under the provisions of the Companies Act, 2013.

(3 marks)

- (b) Examining judicial decisions, if any, state whether corporate veil can be lifted where the acts of the company are in avoidance of welfare legislation.

(3 marks)

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(c) Neptune Private Ltd. applied to Registrar of Companies for getting status of a dormant company and the application were approved. In this connection the company wants to know the following in light of the provisions of the Companies Act, 2013 :

- (i) Is it permissible for a dormant company to allot any security to any person and file a 'Return' therefor ?
- (ii) Is the company required to file any return annually within the prescribed time limit ?
- (iii) What is the relevance of Form MSC-5, if a dormant company wants to obtain a status of an active company ?

(3 marks)

(d) Himmat Ltd. communicated with Sourav seeking information which the company has reasonable cause to believe that he has knowledge of the identity of a significant beneficial owner (SBO) of the company. Sourav is not a member of the company. The company is not satisfied with the information given by Sourav. Advise in accordance with the provisions of Companies Act, 2013 whether the company can seek orders from the Tribunal and can its order be subject to certain restrictions.

(3 marks)

- (e) Dixit & Co. are the auditors of KVS Ltd. appointed at the annual general meeting (AGM) held on 19th September, 2024 for a period of five years. However, due to difference of opinion on certain important matters with the Director (Finance) of the company, Dixit & Co. decided not to seek re-appointment as auditors at the AGM held on 22nd September, 2025 but failed to inform their unwillingness in writing prior to AGM. The Company proceeded further and re-appointed them as auditors in the AGM. Post AGM, Dixit & Co. informed in writing their unwillingness to act as auditors. Analyse the situation and explain the further course of action KVS Ltd. should take under the provisions of the Companies Act, 2013.

(3 marks)

3. (a) Blink Tools Ltd. failed to pay 11% dividend declared in its annual general meeting to certain shareholders due to dispute over entitlement. Aggrieved shareholders filed a complaint against the company to the tribunal. Considering the provisions of the Companies Act, 2013 analyse whether the company is liable for the punishment on its failure to distribute the dividend within the prescribed time limit to certain shareholders.

(5 marks)

- (b) Partho is the Manager (Marketing) of unlisted company Seesaw Machineries Ltd. The company was listed earlier but got delisted two years back. The company took ₹ 1 lakh from him under an employment contract @3% interest per annum. Partho is paid a salary of ₹ 60,000 per month. It was ascertained that rate of interest offered by banks for temporary loan was 12%. Veer & Associates, internal auditors,

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in its draft Report for year ended 31st March, 2025 pointed out that the above transaction constitutes contravention of provisions of Companies Act, 2013 with grave consequences. Comment on the remark of the auditor in reference to the provisions of Companies Act, 2013.

(5 marks)

- (c) Sohan intends to form a new company and wishes to know the concept of the C-PACE under the provisions of the Companies Act, 2013. Explain him what is the legal authority under which the C-PACE has been established ? Where is it located ? When did it come into effect ? What are the expected benefits through C-PACE ?

(5 marks)

***Attempt all parts of either Q. No. 4 or Q. No. 4A***

4. (a) ABC Pvt. Ltd., incorporated under the Companies Act, 2013, recently conducted a right issue of equity shares to its existing shareholders. The Board of Directors through its resolution allotted equity shares on 15th July, 2025. The share certificates issued to shareholders, except for Raj, were signed by a director. The company does not have a Company Secretary. Raj, a shareholder, made a complaint to the company on 15th September, 2025 that he is still to receive a share certificate. In reply, the company took the excuse of administrative reasons for the same. Neha, another shareholder raised an issue that the share certificate does not bear the distinctive numbers of the shares held in dematerialised (DEMAT) form through a depository.

Considering the provisions of the Companies Act, 2013 assess the validity of the share certificates, complaint of Raj and issue raised by Neha.

(5 marks)

- (b) You are the founder partner of a firm of Practising Company Secretaries with huge client base. Ambarish is a director in seven companies. He has approached you on the applicability of XBRL mode of filing for three companies as per the information given below from their latest financial statements :

(₹ in crore)

Particulars	Long Ltd. (listed)	Wide Private Ltd.	Sharp Ltd. (listed)
Turnover	45	75	150
Nature of business	Steel Manufacturing	Toys Manufacturing	General Insurance
Paid up capital	3	4	10
Loan	—	15	—

Advise Ambarish considering the provisions of the Companies Act, 2013.

(5 marks)

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- (c) MNO Infrastructure Ltd., engaged in real estate development, avails a secured term loan of ₹ 50 crores from XYZ Bank Ltd. The loan is secured by a charge on the company's land assets. The loan agreement is signed on 1st January 2025, but due to internal delays, the company failed to file the particulars of charge with the Registrar of Companies (ROC) within the prescribed period under the Companies Act, 2013.

By the time the company approaches the ROC for registration after expiry of the overall prescribed period, the ROC refused to allow the registration of charge citing non-compliance with the statutory time limits. Consequently :

- The charge remains unregistered on the MCA portal.
- A third-party lender, relying on the MCA records, provided additional secured credit to MNO Infrastructure Ltd., assuming there is no prior charge on the property. The charge so created in favour of the third-party lender was registered with the ROC.
- A dispute arises between XYZ Bank Ltd. and the third-party lender over priority of claim when the company defaults on repayment.

Considering the above scenario and in light of the provisions of the Companies Act, 2013 decide whether the refusal of registration of charge by the ROC was valid. Also assess the priority of charge of XYZ Bank Ltd. over the charge of third-party lender referring to the consequences of non-registration of a charge.

(5 marks)

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*Or (Alternate Question to Q. No. 4)*

4A. (i) Considering the provisions of the Companies Act, 2013 explain :

- (a) What is the minimum period for which the books and papers of amalgamated companies shall be preserved and what is the compliance requirement for their disposal ?
- (b) Whether the liability of officers in default for the offences committed prior to amalgamation shall cease to be continued after amalgamation.

(5 marks)

- (ii) Analyse 'Negligence' and 'Forgery' as an exception to the 'Doctrine of Indoor Management' with reference to the Companies Act, 2013.

(5 marks)

- (iii) Smooth Products Ltd. is a public company with 260 members as follows :

• Directors & their relatives	15
• Employees at registered office	10
• Employees at factory	32
• Ex-Employees [shares were allotted when they were employees]	28
• Others	175
<b>Total</b>	<b>260</b>

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The Board of Directors have resolved to convert the company into a private company. The Executive Director seeks your advice to implement the board resolution. Advise him in light of the provisions of the Companies Act, 2013.

(5 marks)

**Part-II****5. Case Study :**

Greenstone Cements Ltd. is an unlisted company (the company). The company achieved the turnover of ₹ 300 crore during the year 2024-25. Malavika, the CFO of the company has put forward the following case scenarios for your perusal, consideration and solution being a practicing company secretary.

**Case I :**

The Board of Directors made the following appointments at its meeting held on 1st July, 2025 :

- (i) Anil, a director of its subsidiary company, Ruby Cements Ltd. was appointed as General Manager on a consolidated salary of ₹ 1,80,000 per month with effect from 1st July, 2025.
- (ii) Parimal, a relative of Kamal was appointed as director of Greenstone Cements Ltd. on 1st July, 2025.

Further, the Managing Director appointed Kamal as Assistant Production Manager on a consolidated salary of ₹ 1,55,000 per month with effect from above date.

**Case II :**

The company is desirous of paying the following managerial remuneration :

- (i) Commission @ five percent of the net profits to its Managing Director.
- (ii) Directors other than the Managing Director are proposed to be paid a monthly remuneration of ₹ 2,50,000 and also commission @ one percent of the net profits subject to the condition that overall remuneration payable to ordinary directors including monthly remuneration payable to each of them shall not exceed two percent of the net profits. There will be equal distribution of commission among all the directors.

**Case III :**

The Board of Directors has decided to appoint an independent woman director and other independent directors, if so required at the upcoming Annual General Meeting (AGM).

**Case IV :**

The company has to convene its Annual General Meeting (AGM) on 25th September 2025.

The notice for the AGM was issued by post on 1st September 2025. The managing director seeks clarification on certain issues relating to issuing notice of the AGM.

Based on the above information and referring to the provisions of Companies Act, 2013 answer the following :

- (a) Whether the appointment of Anil requires the approval of the shareholders of Greenstone Cements Ltd. at a general meeting ? Does the appointment of Parimal as a director in the company affect the continuation of Kamal as the production Manager in Greenstone Cements Ltd. ? (5 marks)
- (b) Analyse the validity of the proposal of paying managerial remuneration to the managing director and other directors. (5 marks)
- (c) With reference to the proposal of the Board to appoint an independent woman director and other independent directors advise whether the company is mandatorily required to make such appointments. (5 marks)
- (d) Whether the length of the notice convening the AGM was valid ? (5 marks)

*Attempt all parts of either Q. No. 6 or Q. No. 6A*

6. (a) The Audit Committee of T2 Transport Limited has decided to convene its meeting to discuss the finalisation of the quarterly financial statements. You are requested to draft a specimen Notice of the Audit Committee Meeting considering the provisions of the Companies Act, 2013.
- (5 marks)
- (b) Draft a resolution for re-appointment of independent director—Sachin in a listed company namely Ambition Ltd. for second term of five years stating the kind of meeting and type of resolution.
- (5 marks)
- (c) The Board of Directors of your company is contemplating taking approval from members of the company for reduction of share capital. The Whole-time director has advised you, being the company secretary of the company, to show him a specimen Notice of Extra-ordinary general meeting containing the resolution for reduction of share capital along with an explanatory statement.
- (5 marks)
- (d) Draft a specimen of minutes of a board meeting of Que Private Ltd. in which the agenda item for alteration of object clause of Memorandum of Association was transacted.
- (5 marks)

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*OR (Alternate question to Q. No. 6)*

- 6A.** (i) Northern Appliances Ltd. has five undertakings. The Deputy General Manager (Operations) has proposed to the Managing Director that one of the undertakings—MU303 be leased out for tactical reasons. It has been ascertained that MU303 generated around 23% of the total income in preceding financial year. The Board called a general meeting for passing an ordinary resolution to execute the proposal. Param, a shareholder challenged the action of the Board of Directors contending that a resolution was to be passed by members through postal ballot. With reference to the provisions of the Companies Act, 2013 examine, if the contention raised by the shareholder is valid.

(5 marks)

- (ii) Manish and his wife Manisha are the shareholders of Vogue Ltd. holding jointly eight percent of equity shares. Manish is working in the company as executive Vice-President and draws a salary of ₹ 8 lakh per month. His son Mohan is an instrumentation engineer and is employed in the company drawing a salary of ₹ 9 lakh per month. The Manager of Vogue Ltd., Karan is paid an annual salary of ₹ 84 lakh. Under the circumstances does the Board of Directors have any duty of disclosure requirement towards these employees under the Companies Act, 2013 ? Analyse.

(5 marks)

- (iii) With reference to the provisions of the Companies Act, 2013 explain the filing requirement of annual return with the Registrar of Companies. Also specify whether the annual return is available for inspection under the Companies (Management & Administration) Rules, 2014.

(5 marks)

- (iv) (a) Visesh is a shareholder of Image Ltd. As per past trends, he insists for inspection of minutes and different registers of the company every year and asks questions in every annual general meeting on future plans, acquisitions, bonus shares. Chief Financial Officer (CFO) of the company wants to know from you being the secretary of the company, how can the registers be kept open for inspection at the ensuing Annual General Meeting held by OAVM if the company has not maintained those in electronic form and has not scanned the same. Explain with reference to the provisions of the Companies Act, 2013.

(3 marks)

- (b) Explain, what are the conditions, if satisfied, any remuneration for services rendered by any director in other capacity shall not be so included in the maximum remuneration payable to him under the Companies Act, 2013.

(2 marks)

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