

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 8

NOTE : Answer ALL Questions.

PART-A

1. (a) SPM Ltd. is engaged in the business of manufacturing of coins made of gold, silver and other precious metals. The company has not raised any money from the public. The company has recently imported the plating technology from Germany and it is desiring to enter into the business of manufacturing of ornaments, jewellery and souvenirs using the plating technology. However, the proposed business is not covered in the objects clause of Memorandum of Association (MOA) of the company. Advise the company the procedure to be followed by it for alteration of objects clause of MOA in accordance with the provisions of the Companies Act, 2013.

(5 marks)

- (b) J is a B.Tech. in Computer Science from Indian Institute of Technology, Roorkee. J has invented a new procedure for making of battery having long life as compared to lithium battery available in the market. The invention has been patented by J. J has made an online application over the portal setup by the Government of India for initial funding under start-up. In the online application, J observed that there is a column for seed funding. Advise J on the meaning and importance of Seed Capital.

(5 marks)

: 2 :

- (c) Agarwal Enterprises Ltd. (AEL) is a resident company in India for the last 15 years. The company is operating in various sectors e.g. power, infrastructure, ports, oil, telecommunications and IT etc. Now, the company is planning to make an investment of ₹ 10,000 crore in Australia based solar power projects through the joint venture in Australia. The latest audited financial statements of the company revealed the following data as on 31st March, 2023 :

Paid up Share Capital	:	₹ 2,000 crore
Reserve & Surplus	:	₹ 1,000 crore
Long-term Borrowings	:	₹ 1,500 crore
Creditors	:	₹ 300 crore

Referring to the provisions of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 and Notifications issued by the Reserve Bank of India, advise whether the company can make desired investment under the automatic route in the financial year 2023-24 (Assume USD 1 = ₹ 80).

(5 marks)

- (d) Durgesh is working as a driver in a cab provider company. One day, a passenger advised him that he can own a car by availing financial assistance under Pradhan Mantri Mudra Yojna (PMMY). He seeks your advice regarding the procedure for availing the Transport Vehicle Loan for commercial use from MUDRA Bank. Advise Durgesh.

(5 marks)

Attempt all parts of either Q. No. 2 or Q. No. 2A

2. (a) A and B are the civil contractors having their own separate proprietorships. The State Government has issued the tender for construction of 10 kms. road. As per the terms of the tender, the bid can be submitted either by a partnership firm or a company only. A and B wish to form a partnership firm to become eligible for bidding in the aforesaid tender. Advise them the key ingredients of a Partnership Agreement.

(4 marks)

: 3 :

- (b) Differentiate between 'Asset Finance Company' and 'Infrastructure Finance Company'.
(4 marks)
- (c) Gupta Publishers Ltd. has been incorporated recently and the Articles of Association of the company contain the provisions for entrenchment under section 5(3) of the Companies Act, 2013. Elucidate the provisions of entrenchment under the Companies Act, 2013.
(4 marks)
- (d) Explain the *Doctrine of Alter Ego*.
(4 marks)
- (e) A non-resident entity desires to set-up an equity based joint venture in India. However, there are certain restrictions under FDI Policy of Government of India. Describe the restrictions to a non-resident entity under FDI Policy of Government of India.
(4 marks)

OR (Alternate question to Q. No. 2)

- 2A. (i) Referring to the provisions of Companies Act, 2013, state the circumstances under which the Reserve Bank of India may cancel the certificate of registration granted to a Non-Banking Financial Company (NBFC).
(4 marks)
- (ii) Explain any five benefits of forming a Special Purpose Vehicle (SPV).
(4 marks)
- (iii) Explain the procedure for registration of Asset Reconstruction Company (ARC).
(4 marks)

: 4 :

- (iv) ABC LLP has its registered office in Kanpur (U.P.). For better administrative convenience, the LLP wants to shift its registered office from Kanpur to NCT of Delhi. Advise the LLP regarding the various formalities which need to be complied with for shifting its registered office from Kanpur to NCT of Delhi under Limited Liability Partnership Act, 2008.

(4 marks)

- (v) Explain the provisions contained in Section 129 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014 relating to financial statements of Holding Company.

(4 marks)

PART-B

3. (a) ABC Pvt. Ltd. is engaged in the business of manufacturing of machinery parts. The company has the following investment in fixed assets :

Plant and Machinery	₹ 115 lakh
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(including second hand machinery of

₹ 25 Lakh and pollution control

equipment of ₹ 20 lakh)

Land and Building	₹ 100 lakh
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Turnover	₹ 600 lakh
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(including export turnover of ₹ 150 lakh)

Explain with details whether ABC Pvt. Ltd. comes under Micro or Small or Medium Enterprise category as per the new definition of MSME vide Press Release dated 13th May, 2020 of Ministry of Finance.

(5 marks)

: 5 :

(b) A factory is having 400 employed persons and covered under the Payment of Wages Act, 1936. It wants to fix the wage period as one and half month and make the payment of wages within 10 days after the last day of the wage period. Is it permitted under the Payment of Wages Act, 1936 ?

(5 marks)

(c) In the following cases who are the owners of the copyrights, in terms of the provisions of Copyright Act, 1957 :

- (1) Musical sound recordings
- (2) Works by journalists during their employment
- (3) Painting or portrait drawn at the instance of any person
- (4) Drafting of examination question papers
- (5) Book written by a teacher being an employee in a college.

(5 marks)

(d) Sukhdev Industry Ltd., situated in the vicinity of Tajmahal, Agra (U.P.), is causing air, water and noise pollution. The people living in the area have made a written complaint to the Central Government against the company for issuing the necessary directions. State the different directions that can be issued by the Central Government to Sukhdev Industry Ltd. under the Environment Protection Act, 1986.

(5 marks)

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

4. (a) Write down the objectives for the establishment of a National Green Tribunal.

(3 marks)

(b) Explain the benefits extended to Micro & Small Enterprises (MSEs) for having valid NSIC registration.

(3 marks)

: 6 :

- (c) Amit has designed a teacup having a hollow receptacle for holding tea and a handle to hold the cup. Can Amit register it under the Designs Act, 2000 ? Would your answer be different if the teacup has a fancy shape or ornamentation on it ?
(3 marks)
- (d) Santhi was employed in a factory since 2008 when the total employees in the factory were 54. She resigned from that employment on 31st March, 2023 after 15 years of continuous service. The factory owner denied to pay the amount of gratuity to Santhi stating that on the date of her retirement, the number of employees in the factory had come down to 8, hence the provisions of Gratuity Act, 1972 would not be applicable. Referring to the provisions of Gratuity Act, 1972, advise whether Santhi will succeed in her claim ?
(3 marks)
- (e) Write down the duties of the employer under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
(3 marks)

OR (Alternate question to Q. No. 4)

- 4A. (i) Sunil is operating the construction material business in Noida. National Green Tribunal (NGT) has awarded a penalty of ₹ 1 crore to Sunil for non-compliance of its order. Aggrieved by the order of NGT, Sunil looks for your advice to seek the review of decision of NGT. Advise Sunil in this regard.
(3 marks)
- (ii) LK Ltd. is in the healthcare sector. The company has launched a product named “Ram Baan” to cure the disease of cancer. The company desires to register the product logo under the Trade Marks Act, 1999. Describe the points to be considered by the company while adopting a trademark.
(3 marks)

: 7 :

- (iii) M Ltd. has a textile plant situated in Bhiwandi, Maharashtra. Mudit is the head of the plant, who possesses Master Degree in Mechanical Engineering from a reputed Institute. Mudit is appointed as the occupier of the plant under the Factories Act, 1948. What are the measures Mudit has to adopt for health of workers employed in the manufacturing process which generates dust, fume and other impurities ?
(3 marks)
- (iv) Daadi ke Achaar Pvt. Ltd. is producing the pickles of all varieties. A few of the workers in the company are in the age group of 15 to 18. The company seeks your advice on the provisions regarding working hours and period of work under the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986. Advise the company.
(3 marks)
- (v) What conditions are required to be satisfied by the White Category of industries to be eligible for pollution license exemption ?
(3 marks)

PART-C

5. (a) Differentiate between 'Defunct Company' and 'Vanishing Company'.
- (b) What do you mean by Pre-packaged Insolvency Resolution Process (PPIRP) ? What is the eligibility and time-limit for completion of PPIRP ?
- (c) What is the procedure to be followed by a Dormant Company for obtaining the status of an Active Company ?
- (d) Dev has been appointed as the Interim Resolution Professional (IRP) in respect of Corporate Insolvency Resolution Process (CIRP) admitted by Adjudicating Authority against Supriya Ltd. Dev seeks your advice on the contents of Public Announcement under Insolvency & Bankruptcy Code, 2016, Advise Dev.
- (e) What do you mean by an 'Inactive Company' ?
(3 marks each)

6. (a) BBIL is an unlisted public company. The company is in insurance business. BBIL has incurred huge losses and applied for striking off its name after making due payments to all the creditors. The Registrar of Companies requires No Objection Certificate (NOC) from the appropriate regulatory authorities. Whether the NOC is required ? Explain.
- (b) Effective Green Energy Ltd. was incorporated on 22nd May, 2020. Due to the restrictions imposed to combat COVID-19 pandemic and consequent slowdown in the economy, the company could not start any business. The Registrar of Companies (RoC) removed the name of the company from the Register of Companies without giving a prior notice to the company. The company desires to challenge the action of the RoC. Referring to the provisions of the Companies Act, 2013, examine whether the action of the RoC is tenable ?

(5 marks each)

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