

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) Alok Nidhi Ltd., a Nidhi Company, desires to appoint M as the Director of the company. M has been convicted of an offence involving moral turpitude and sentenced to imprisonment for a period of six months, 4 years ago. Alok Nidhi Ltd. seeks your advice for appointment of M as Director of the Company. Referring the provisions for appointment of Directors in a Nidhi Company under Nidhi Rules, 2014, advise Alok Nidhi Ltd.

(5 marks)
- (b) KC Pvt. Ltd. has been incorporated recently under the Companies Act, 2013. The Directors of KC Pvt. Ltd. seeks your advice on the requirement in context of 'publication of name and address of the company'. Referring the provisions of section 12(3) of the Companies Act, 2013, advise KC Pvt. Ltd.

(5 marks)
- (c) KPS Trust is a trust registered under the Indian Trusts Act, 1882. The trust desires to register itself as a Company Limited by Guarantee under Section 8 of the Companies Act, 2013. Describe the documents required to be submitted by KPS Trust for registration as a company limited by guarantee under Section 8 of the Companies Act, 2013.

(5 marks)

: 2 :

- (d) Karan and Rajdeep two friends decided to start a business of Biryani Chain, it's a start up with some blend of technology for which they aim to collect funding from Venture Capitalists. While Karan is of the opinion to incorporate Limited Liability partnership, Rajdeep wants to go ahead with formation of Private Limited Company. As a Professional Consultant, you are required to advise on the basis of merits of both the proposals as which type of organization is most suitable as per the requirement ?

(5 marks)

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

2. (a) The Articles of Association of RC Stock Exchange Ltd., registered under the Companies Act, 2013, has the provision empowering the Board of Directors to expel any member of the stock exchange. In accordance with this provision, the Board of Directors of RC Stock Exchange Ltd. expelled K being the member of RC Stock Exchange Ltd. K objected to such expulsion stating that it is against the provisions of the Companies Act, 2013. In the light of decided case law, examine the validity of objection of K.

(4 marks)

- (b) XPS Limited, a company of Chennai, have issued non-convertible debentures and got listed their debt securities on BSE. After listing of the above-mentioned debentures, the Managing Director prefers to use the word "Listed" under its name. Can XPS Limited use it ? Also enlist the types of Companies which are not to be considered as Listed Companies.

(4 marks)

: 3 :

- (c) Shree Vishnu Permanent Fund Limited, is a Nidhi Company incorporated on 17th August, 2023. The promoters being the new business entrant is not aware to file any kind of declaration. Hence the management seeks your advice to explain what form to be filed as Declaration of Nidhi Company and also explain the time limit of such filing. Further explain the consequences of non-filing of such declaration.
- (4 marks)*
- (d) Rakesh and Vishesh are in the process of forming a new company under the name of “Money Grow Private Limited”. The Company would be an NBFC. While drafting the object clause in Memorandum, a clause related to power to sell and dispose of the whole of a company’s undertaking was not mentioned. Later the management argues that this power is implied power of Board and need not be mentioned separately. Is management right in its contention ? Also mention powers which are not considered as “Implied Powers.”
- (4 marks)*
- (e) Plastocare Limited, a Public Limited Company wanted to appoint Ashish Kothari as its Managing Director, for which a notice of EGM has been sent to all the members. However, the notice did not contain any information about the interest of other Directors in such appointment. Does this missing information render the notice as invalid ? Will your answer be changed in case the company is a Govt company ?

(4 marks)

OR (Alternate question to Q. No. 2)

- 2A. (i) Describe the purposes for which the Societies can be formed under Section 20 of The Societies Registration Act, 1860.
- (ii) What do you mean by 'Systemically Important Core Investment Company (CIC-ND-SI)' ?
- (iii) (a) Mudra Nidhi Limited, a Chennai based company, wants to acquire another company Prakrit Private Limited through change in management, can it do so ? Will your answer change if it wants to acquire Prakrit Private Limited by way of purchase of securities ?
- (b) 'Every Nidhi Company shall have to ensure certain compliance requirements within one year of incorporation. Enumerate those compliance requirements to be ensured within one year of incorporation.
- (iv) Global Pen and Plastic Limited was incorporated on 01st August, 2017. The company wishes to acquire the Start-up status. The management approached a Practicing Company Secretary for the assignment. Prepare a Board Note guiding the management as to when an entity will be considered a Start-up.
- (v) RICE group of companies wants to establish an SPV. It has 4 companies and 2 LLPs in the group. The management is in dilemma whether to use a company or LLP as an SPV. As an experienced professional in Business Collaboration matter, advise the management as to which form of organization would be best to register as an SPV ?

(4 marks each)

PART-B

3. (a) TM Power Ltd. is supplying power to the public. The workmen and management are planning for a strike and lock-out respectively. Examining the meaning of Public Utility Services, describe the prohibition of strikes and lock-outs in a Public Utility Service under the Industrial Disputes Act, 1947.
- (b) 10 friends decided to start a banking business by incorporating a banking company as 8 of them are having banking experience. They have decided to float a small finance bank. Subsequently they applied for licensing to RBI. However, RBI contended that all the required conditions for a small finance bank have not been followed. They approached you to guide on the matter. Prepare the note to management explaining them the required conditions to be fulfilled to start a banking company.
- (c) Kavita is planning to write a Poetry-Book and intend to apply for its copyright. However, the copyright has not been granted as of now. She wants to assign the copyright to her friend in the current situation and she is not conversant with the concept of assignment of copyright. Brief her about various provisions pertaining to the assignment of copyright explaining her whether she can assign the same prior to holding copyright ?
- (d) EM Finvest Ltd. desires to obtain the Non-Banking Financial Company (NBFC) License from the Reserve Bank of India (RBI). The company approaches to seek your advice on the documents required to be submitted to RBI for obtaining NBFC License. Advise EM Finvest Ltd.

(5 marks each)

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

4. (a) Shantanu has invented a chemical formulation which may cause serious health issues to the public. He wishes to get the patent registered for his invention. Referring the provisions of Patents Act, 1970, examine the validity of patent application of Shantanu for his invention.
- (b) What do you mean by 'Casual Taxable Person' under Central Goods & Service Tax Act, 2017 ?
- (c) Describe the types of entities involved in the principal business of financial activity which do not require Non-Banking Financial Company (NBFC) license from the Reserve Bank of India (RBI).
- (d) Global Mines Limited established a coke factory in Sindhudurg, Goa. The factory is about to be operative from next month. In the meantime, the management wants to appoint one of its Directors Ashok Sinha as an occupier. Mention the information to be sent by an occupier to Chief Inspector before commencement of the factory.
- (e) Pixel Chemicals Private Limited has two factories, one in Madhya Pradesh and other one in Bihar. The management wants to fix different minimum wages for both the States. Is this permissible, if yes, explain the rule for fixation of different wages for different states.

(3 marks each)

OR (Alternate question to Q. No. 4)

- 4A. (i) What documents are required for registration of a Design as per The Design Rules, 2001 ?

(3 marks)

- (ii) Describe any *three* welfare measures to be taken for welfare of the workers under Factories Act, 1948.

(3 marks)

: 7 :

- (iii) Sanjiv Shukla plans to incorporate a company in Karnataka with 2 other persons. But none of the promoters have their DIN. Explain what are various services that are offered through integrated SPICe+ form ?
(3 marks)
- (iv) Santosh Agarwal is a director in Elon Dairy Limited and also in its holding company Puriton Dairy Private Limited. He wants to acquire some assets of its holding company for a consideration other than cash. Explain the related provision for the non-cash acquisition.
(3 marks)
- (v) Describe in brief the contents of Environmental Statement to be submitted to the concerned State Pollution Control Board (SPCB) annually.
(3 marks)

PART-C

5. (a) What do you mean by 'Liquidator' and 'Liquidation Estate' under Insolvency and Bankruptcy Code (IBC), 2016 ?
(3 marks)
- (b) Describe the manner of publication of Public Notice in Form STK-6 inviting objections for striking off the name of the company by the Registrar of Companies.
(3 marks)
- (c) XB Limited continuously ran its business in loss. The company has its total outstanding loan including secured loan of Rs. 80 Lakh which as per the latest audited balance sheet has risen to 1 crore. The company want to wind up the business without approaching NCLT. Explain which type of companies can wind up their business without approaching NCLT and whether XB Limited can do the same ?
(3 marks)

(d) KPC Limited, a public limited company registered under the Companies Act, 2013 is based in Delhi. Sunita Verma, a relative of one of the directors intends to purchase its 5000 shares @ Rs 100 each for which she wants some financial assistance from the company. The board placed the proposal to grant financial assistance of Rs. 3,00,000 (Three lakh only). Decide validity of the action of Board of Directors in the light of provisions.

(3 marks)

(e) During Resolution process for Corporate Persons, the Insolvency and Bankruptcy Code (IBC), 2016 proposes two independent stages. What are those two independent stages as per the Code ?

(3 marks)

6. (a) Under what circumstances an applicant shall not be eligible to apply for registration under IRDA (Insurance Regulatory & Development Authority) ?

(b) A garment factory based in West Bengal was having dispute with the management, for which conciliation proceedings is in progress with Labour Court. But management wants to lockout the factory as the dispute was complicated one. Can management declare a lockout ? Advise the Management regarding various prohibitions of strikes and lockouts ?

(5 marks each)