

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 4

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

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

1. Comment with reasons on the following :

- (a) A Managing Director of a company is entrusted with substantial powers of management but he shall exercise his powers subject to the superintendence, control and direction of its Board of directors.
- (b) Auditors reappointed by the members in the annual general meeting of a company cannot be removed before the expiry of their term. Answer with specific reference to the procedure for removal.
- (c) Before declaring an interim dividend, the directors must satisfy themselves that the financial position of the company allows the payment of such a dividend out of profits available for distribution.
- (d) Striking-off the name of a company by the Registrar of Companies does not materially affect the creditors of the company.

(5 marks each)

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

2. Distinguish between the following :

- (a) Quorum for 'Board meeting' and 'general meeting'.
- (b) 'Private company' and 'small company'.
- (c) 'Statutory audit' and 'internal audit'.
- (d) 'Ordinary business' and 'special business'.

(4 marks each)

*OR (Alternate question to Q.No. 2)*

- 2A.** (i) The promoters of a public limited company want to insert a clause in the articles of association of the company giving power of expulsion of a member to the Board of directors, where the directors are of the view that the activities or conduct of such a member is detrimental to the interest of the company. Is it a right step ? Explain.
- (ii) List the items of business which can be transacted by a listed company through postal ballot.
- (iii) List the matters which cannot be approved by the Board of directors of a company through resolution by circulation.
- (iv) List out the resolutions which require filing of e-Form MGT-14 with the Registrar of Companies.

*(4 marks each)*

*Attempt all parts of either Q.No. 3 or Q.No. 3A*

- 3.** (a) A company proposes to hold its Board meeting at a shorter notice through video conferencing. As a Company Secretary, explain the requirements and procedures to all the directors.
- (b) Who can be appointed as an independent director by a listed company as required under clause 49 of the listing agreement ?
- (c) A listed company has taken a term loan from a financial institution and is regularly paying the interest and loan installments. The institution proposes to convert 20% of the loan into equity shares of the company as per the terms of the loan agreement. Advise the company, whether the financial institution can enforce the convertibility clause.
- (d) If the Chairman vacates his chair or adjourns the meeting regardless of the views of the majority, those remaining, even if a minority, can appoint a Chairman and conduct the business left unfinished by the former Chairman. Illustrate.

*(4 marks each)*

: 3 :

*OR (Alternate question to Q.No. 3)*

**3A.** Write notes on the following :

- (i) Directors' responsibility statement
- (ii) Resignation of director
- (iii) Functions of a Company Secretary
- (iv) One person company (OPC).

*(4 marks each)*

- 4.** (a) State the procedure for approval of directors' report containing replies to the auditors' comments and qualifications and authorising the Chairman to sign the report on behalf of the Board.
- (b) State the procedure for appointment of Ankit as the Company Secretary who is the son of a director of the company, on a monthly salary of ₹1,00,000.
- (c) Draft special resolution and also explanatory statement for altering articles of a private limited company converting it into a public limited company.
- (d) State the procedure for appointment of auditors in the casual vacancy caused due to resignation, by the company in which 26% of share capital is held by the State Government.

*(4 marks each)*

- 5.** (a) You are the Company Secretary of a public limited company having paid-up share capital of ₹5 crore. On receipt of notice and agenda for the next Board meeting, one of the directors of the company has submitted necessary form making disclosure to the company that he is interested in the contract which the Board of directors proposes to enter into with a private company in which he is a director. Advise the Board of directors, the procedure the company has to undertake regarding the contract.

*(8 marks)*

- (b) A public limited company held its annual general meeting at its registered office and transacted all proposals of ordinary business. As the Company Secretary, draft minutes of the meeting and advise the Chairman regarding legal provisions for recording the minutes.

*(8 marks)*

6. (a) A foreign company proposes to establish a place of business in New Delhi. Explain the requirements and compliances to be made in this regard. Whether the directors of the company are required to obtain DIN ?  
(4 marks)
- (b) Explain the provisions of the Companies Act, 2013 and rules made thereunder for conducting secretarial audit.  
(4 marks)
- (c) Explain the scope of secretarial audit to be covered as per e-Form MR-3.  
(8 marks)