

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) The Articles of Association of BC Ltd. empowered the directors to borrow money within the limit of ₹ 50 lakh. The Articles further provided that the directors can also exceed the borrowing limit of ₹ 50 lakh with the consent of the Company in general meeting. The directors of BC Ltd. took the loan of ₹ 75 lakh from R being one of the directors of BC Ltd. without obtaining the consent of the Company in general meeting. The Company, BC Ltd. refused to repay the loan amount to R. In the light of decided case law, state whether R will be able to get his money back from the Company.

(5 marks)

(b) (i) Luv Ltd. has entered into a contract with Kush Ltd. by which Kush Ltd. will control 22% of the sale and disposal of the output of Luv Ltd. Enumerate the nature of relationship between both Companies.

(ii) If Surya Pvt. Ltd. having paid up share capital of ₹ 45 Lakhs and annual Turnover of ₹ 185 Lacs is a wholly owned subsidiary of Hima Ltd. a listed Company. Can Surya Pvt. Ltd. be called a Small Company ? Explain.

(3+2 marks)

: 2 :

- (c) Dinesh is running small handicraft unit with 3 workers. He is planning for expansion and it may require addition of 10-15 employees. He is planning to register his business under Employees State Insurance (ESI) and extend the benefit to all his employees. He is keen in knowing from you the benefits available to him as an employer in extending the ESI facilities to his employees. Advise Dinesh.

(5 marks)

- (d) QP Ltd. wants to increase its Authorised Share Capital from ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each to ₹ 75,00,000 divided into 7,50,000 Equity Shares of ₹ 10 each by creation of additional 2,50,000 Equity Shares of ₹ 10 each ranking pari passu in all respect with the existing Equity Shares of the Company. Draft specimen of Board and General Body Resolutions for increasing the Authorised Share Capital and for alteration of Capital Clause in the Memorandum of Association of the Company.

(5 marks)

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

2. (a) XYZ Trading LLP registered under LLP Act, 2008 wants to change its name to PQR Solutions LLP. Explain the procedure to be followed by XYZ Trading LLP for changing its name under the provisions of LLP Act, 2008.

(4 marks)

- (b) Designated Partners of Sara LLP wants to convert LLP into Private Limited Company for further growth of their organization. They have already got the name approved and have secured the DSC and DIN. Now they seek your advice for further processes of conversion of their LLP into Private Limited Company. Advise.

(4 marks)

: 3 :

- (c) The memorandum and articles must be read together in the event of any ambiguity. Explain the given statement referring a suitable case law. (4 marks)
- (d) Mahesh Nidhi Limited was incorporated on 30th September, 2020. The Board of Directors seek your advice about the compliances need to be done in respect of each of the following :
- (i) Compliances which are required to be done upto the end of first financial year of the Company.
- (ii) Opening of branches of Mahesh Nidhi Limited. (4 marks)
- (e) Explain the unconventional modes of financing options for Start Ups which are becoming popular in India. (4 marks)

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

- 2A. (i) Raman wants to start the business of fruits and vegetables vendor. He seeks your advice on the criteria, business categories with the maximum amount of loan allowed and eligibility for obtaining loan under the scheme of Pradhan Mantri Mudra Yojana. Advise Raman. (4 marks)
- (ii) OP Ltd. wants to create a trust for the benefit of employees of the Company and their spouses and children. Decide with reasons whether this trust will be Public Trust or Private Trust. Also state the differences between Public Trust and Private Trust. (4 marks)

: 4 :

- (iii) Anish along with his six friends desires to incorporate a Section 8 Company under the Companies Act, 2013. He is seeking your advice in the following matters :
- (a) What is the minimum paid-up capital requirement in case of a Section 8 Company ?
  - (b) Whether a firm can be member of the Section 8 Company ?
  - (c) Whether the Section 8 Company can pay dividend to its members ?
  - (d) Whether a Section 8 Company is required to appoint a Company Secretary to ensure compliance with the provisions of Companies Act, 2013 ?

As a Company Secretary, advise Anish with reference to the provisions of Companies Act, 2013.

(4 marks)

- (iv) M N Ltd., a Company registered in Japan has established a place of business in India. Advise MN Ltd. on the documents required to be filed by the Company with the concerned Registrar of Companies under the provisions of the Companies Act, 2013.

(4 marks)

- (v) The Articles of Association of DF Ltd. were amended on 1st January 2020 to insert a new Article providing that the service of the employee of the Company shall be terminated if he takes part in active politics. Ravi being one of the employees of DF Ltd. had filed his nomination papers for contesting elections in September, 2019 but the nomination papers were however rejected. Due to taking part in active politics in September, 2019, the services of Ravi were terminated by the Company effective from 1st February 2020. In the light of decided case law, state whether the decision of the Company is legally tenable ?

(4 marks)

: 5 :

**PART-B**

3. (a) M/s Ariyakudi Private Limited, an appellant Company fails to deposit the PF contribution, upon financial crises going on in the business and Assistant Provident Commissioner levied damages for delay in contribution. Now M/s Ariyakudi Private Limited has challenged the said matter with the higher jurisdiction. Whether the levy of damages is tenable ? Discuss.
- (b) UV Pvt. Ltd. wants to apply for Udyog Aadhar. The Company seeks your advice on the criteria for making application for Udyog Aadhar under the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006. Advise UV Pvt. Ltd.
- (c) Mudit has invented a tool which may reduce the human efforts significantly. He wants to file the patent application for the tool. Advise Mudit the procedure to be followed by him for filing patent application.
- (d) 'A contract is required to ensure the smooth functioning of work and is a great mechanism to ensure recourse in case of non-fulfilment of work'. Elucidate.

(5 marks each)

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

4. (a) Kumar is a proprietor of a small scale unit manufacturing cotton clothes. He wants to know the benefits of registration with National Small Industries Corporation (NSIC). Advise Kumar.

(3 marks)

- (b) Rajan, a toy manufacturer wants to export toys to Thailand. He seeks your advice on the requirement of Import Export Code (IEC) for exporting toys to Thailand. Advise Rajan along with the documents required for obtaining IEC.

(3 marks)

- (c) With reference to National Green Tribunal Act, 2010, answer the following :
- (i) Can National Green Tribunal (NGT) admit a suit for cutting of trees in a forest ?
  - (ii) Can a person argue his own matter before NGT ?
  - (iii) To whom the appeal against the decision of NGT should be filed ?  
(3 marks)
- (d) Ram is working in a factory employing 30 persons. The gross salary of Ram is ₹ 20,000 per month. He has worked for 60 days in the year 2019-20. In the light of provisions of Payment of Bonus Act, 1965, examine whether Ram is eligible for payment of bonus for the year 2019-20.  
(3 marks)
- (e) Explain the duties of Conciliation Officers under the Industrial Disputes Act, 1947.  
(3 marks)

**OR (Alternate question to Q. No. 4)**

- 4A. (i) Explain the deductions that can be made from the wages of an employee under Payment of Wages Act, 1936.  
(3 marks)
- (ii) Ramesh is running a fast food shop in Chandni Chowk, Delhi. He seeks your advice on the requirement of obtaining FSSAI Registration. Advise Ramesh.  
(3 marks)
- (iii) PQ Finvest Ltd. is a Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India. The total assets of the Company are exceeding ₹ 500 crores. The Company has committed the default in making payment to Karan, who is an operational creditor. In the light of the provisions of Insolvency and Bankruptcy Code, 2016, examine whether Karan can initiate Corporate Insolvency Resolution Process against PQ Finvest Ltd.  
(3 marks)

: 7 :

(iv) Explain the duties of Interim Resolution Professional (IRP) under Insolvency and Bankruptcy Code, 2016.

(3 marks)

(v) Payments banks is a new model of banks conceptualized by the Reserve Bank of India. Describe the key issues which require compliance by an applicant Company.

(3 marks)

### PART-C

5. (a) Krishna Private Ltd., having 3 directors has obtained status of Dormant Company in year 2019. The Board of Directors seeks your advice about the compliances needs to be done in respect of each of the following :

(i) One of the Director who is also shareholder holding 15 percent shares in Company wants to retire from post of directorship of the Company and also wants to transfer his entire shares.

(ii) Minimum number of Directors

(iii) Rotation of Auditors

(3 marks)

(b) The Companies (Winding Up) Rules, 2020 has reduced the burden of winding up on NCLT by shifting the power to Central Government in specified cases. Examine.

(3 marks)

(c) CD Ltd. has not filed financial statements and annual returns during the last two financial years. The Company wants to get the status of a Dormant Company. The Company has approached you seeking your advice on the benefits/exemptions provided to a Dormant Company. Advise CD Ltd.

(3 marks)

(d) The Registrar of Companies has removed the name of ST Pvt. Ltd. from the Register of Companies under provisions of Section 248 of the Companies Act, 2013. The directors of ST Pvt. Ltd. have approached you seeking your advice to whom and when they should file an appeal for restoration of name of the Company. As a practicing Company Secretary, advise them with reference to the provisions of Companies Act, 2013.

(3 marks)

(e) Explain the situations in which a Company cannot apply for Striking off its name from the Register of Companies.

(3 marks)

6. (a) PR Ltd. has defaulted in making payment to YK Bank for the amount of ₹ 50,00,000. YK Bank intends to file an application for initiating corporate insolvency resolution process against PR Ltd. Advise YK Bank the procedure to be followed by it for initiating corporate insolvency resolution process against PR Ltd.

(b) As per The Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 explain the suspension of initiation of corporate insolvency resolution process of a corporate debtor.

(5 marks each)

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