Roll No..........................

Time allowed : 3 hours  
Maximum marks : 100

Total number of questions : 8  
Total number of printed pages : 4

NOTE :  1. Answer SIX questions including Question No.1 which is compulsory.
     2. All references to sections relate to the Companies Act, 1956 unless stated otherwise.

1. Draft any four of the following:
   (i) Objects clause of the memorandum of association of a public company limited by shares
       being incorporated for engaging in infrastructure industries, mentioning one main object,
       two ancillary objects and two other objects.
   (ii) The procedure to be followed by an unlisted public company of 10 years existence to issue
       equity shares by private placement route. (Any five relevant steps may be mentioned starting
       from initiation of the proposal.)
   (iii) The resolution for cancellation of authorised share capital of a public company limited by
       shares and consequential change in the memorandum of association of the company.
       (Mention the body to pass the resolution and the nature of the resolution.)
   (iv) The provision in the articles of association of a public company limited by shares in
       respect of general meetings in accordance with Table-A of Schedule I of the Companies
       Act, 1956.
   (v) A resolution for appointment of Compliance Officer by a listed public company. (Mention
       the body authorised to pass the resolution.)

2. (a) State, with reasons in brief, whether the following statements are true or false:
   (i) A person can become a member of the company by acquiescence.
   (ii) A company must register transfer of shares on the basis of the transfer documents
       lodged with the company even if the transferor dies before registration of the transfer
       irrespective of the fact that the company received intimation of death of the transferor
       before registration of the transfer or after such registration.
   (iii) The Board of directors of a company may delegate its powers/authority to a committee
       even without a provision in the articles of association for such delegation.
   (iv) A firm of Chartered Accountants incorporated under the Limited Liability Partnership
       Act, 2008 cannot be appointed as auditors of a company because LLP is a ‘body
       corporate’.

(b) In relation to holding of general meeting, answer the following with reasons in brief:
   (i) Whether the Chairman on his own can adjourn the general meeting of the company?
   (ii) Whether a fresh notice is required to be given for holding an adjourned general
       meeting of the company?
(iii) In what way is the presence of quorum regulated under the provisions of the Companies Act, 1956 and what are the consequences if the quorum is not present at the scheduled general meeting of the company?

(iv) Whether a new business can be transacted at an adjourned general meeting?

(2 marks each)

3. (a) Write the most appropriate answer from the given options in respect of the following:

(i) If a company proposes to start a business mentioned in the memorandum of association but not one which is germane to its principal business, it has to comply with the provisions —
   (a) Provided in the memorandum itself
   (b) Provided in the articles
   (c) Provided in section 17
   (d) Provided in section 149.

(ii) When a debt security is issued by a public company on private placement basis, it has to fulfil among others, the following conditions —
   (a) Obtain prior approval of the Central Government
   (b) Obtain approval of shareholders by passing a special resolution
   (c) Unanimous approval of the Board of directors was obtained
   (d) Credit rating for the security from at least one of the credit rating agency registered with SEBI was obtained.

(iii) The Council of The Institute of Company Secretaries of India has accorded general approval to the Company Secretaries in practice to become passive partner of a Limited Liability Partnership firm provided the objects of such partnership include —
   (a) Attestation services falling within the scope of profession of Company Secretaries
   (b) Attestation services that the profession of Chartered Accountants is allowed to pursue
   (c) Non-attestation services that the Company Secretaries profession permits
   (d) Non-attestation services that a Cost Accountant is allowed to provide.

(iv) An instrument of proxy must be lodged with the company at least —
   (a) 24 Hours before the meeting of the company
   (b) 48 Hours before the meeting of the company
   (c) 72 Hours before the meeting of the company
   (d) 96 Hours before the meeting of the company.

(1 mark each)

(b) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s):

(i) In the case of every issue of shares/warrants/FCDs or other financial instruments, the ____________ of the issuer company must certify that the issue of said instrument is being made in accordance with the requirements contained in the SEBI Guidelines.

1/2013/CSP Contd .......
(ii) A director who either by himself or through his relative or through any body corporate directly or indirectly holds more than _____________ of the outstanding equity shares of the company shall not be eligible to participate in the Employees Stock Option Scheme.

(iii) A Practising Company Secretary who is entitled to issue certificate of compliance under section 383A and/or to sign an annual return pursuant to the proviso to sub-section (1) of section 161 can sign upto a maximum of _____________ companies in the aggregate in a calendar year.

(iv) An alternate director is compulsorily required to hold _____________ shares, if so required by the articles of association of the company.

(1 mark each)

(c) The process of nomination of shares and securities has simplified transmission of shares and debentures of the company as well as the shareholders/debentureholders. Comment highlighting the procedure to be followed for securities held in physical form and electronic form.

(8 marks)

4. (a) It is often seen that the petitions for restoration of name of companies struck-off by the Registrar of Companies (ROC) under section 560 cite negligence/failure of company executives/professionals to respond to the letters issued by ROC and claim that the companies continued in the business. Do you think the pleas mentioned above are good grounds for courts to allow restoration? Cite relevant case law.

(6 marks)

(b) When a Director Identification Number (DIN) application is rejected by the Ministry of Corporate Affairs portal, does the applicant necessarily need to apply for a fresh DIN? Discuss.

(4 marks)

(c) Is online viewing of public documents of a company open to any member of the public? How one (who is eligible) can view online public documents of a company? Is a copy of a public document available to the public? Give two examples of company documents filed online with the Registrar of Companies.

(6 marks)

5. (a) (i) What are the recent developments in Asia affecting liability insurance of directors and officers?

(ii) In Indian scenario, what risks are covered under the Directors’ and Officers’ Liability Insurance Policy?

(iii) What are the main exclusions to the Directors’ and Officers’ Liability Insurance Policy?
371

4

(b) A bank which has sanctioned key loan to its customers against warehouse receipt seeks your advice whether Form 8 is to be filed to secure the loan. Advise the bank suitably quoting the relevant provisions of the Companies Act, 1956.

(4 marks)

c) The Board of directors of DJA Co. Ltd. having its financial year from 1st January to 31st December proposes to change the financial year to the 1st April to 31st March. As the Secretary of the company, what procedure would you adopt to give effect to the above proposal of the Board of directors.

(4 marks)

6. (a) You being a Company Secretary, have been appointed as the Compliance Officer of your company which is proposed to be listed pursuant to an IPO with National Stock Exchange. State in brief your responsibilities with regard to insider trading, specially to facilitate a level playing field for public investors and shareholders of the company.

(8 marks)

(b) Managing Director of a producer company seeks your advice on granting loan to a member of the company who is a relative of that company's director. Give your opinion (as a practising Company Secretary would do) with specimen of the resolutions required for that purpose.

(4 marks)

c) Draft a letter to be sent to the bank for closure of dividend account for transfer of balance lying in that account to the Investor Education and Protection Fund at the end of seven years.

(4 marks)

7. (a) Explain the salient features of the Australian Corporations Act, 2001 relating to appointment of auditors.

(4 marks)

(b) Mention the enclosures necessary to accompany an application to be made to the Central Government for seeking exemption from statutory audit of a branch of a company required under section 228.

(4 marks)

(c) State the reasons for special importance of Secretarial Standard-9 on forfeiture of shares in the context of the Companies Act, 1956. Also bring out salient aspects of the Standard.

(8 marks)

8. Write notes on the following. Attempt any four:
(i) Ministry of Corporate Affairs Circular No. 6/2011 dated 8th March, 2011 in the matter of a foreign company establishing business in India

(ii) Certification of transfer

(iii) Duties of a Company Secretary on corporate restructuring and intellectual property rights

(iv) Revocation of interim dividend declared by the Board of directors

(v) Connected person.

(4 marks each)

1/2013/CSP