

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 3

NOTE : 1. Answer ALL questions.

2. All references to sections relate to the Companies Act, 1956 unless stated otherwise.

1. Comment on the following :

- (a) Every annual general meeting of the company must be held in each calendar year.
- (b) Common seal can be used by any employee of the company irrespective of his designation.
- (c) The validity of an advertisement issued under the Companies (Acceptance of Deposits) Rules, 1975 is one year from the date of its publication.
- (d) Public companies can issue 'shelf prospectus'.

(5 marks each)

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

2. Distinguish between the following :

- (a) 'Individual insolvency' and 'corporate insolvency'.
- (b) 'Debentures' and 'shares'.
- (c) 'Statement in lieu of advertisement' and 'statement in lieu of prospectus'.
- (d) 'Investment companies' and 'producer companies'.

(4 marks each)

OR (Alternate question to Question No.2)

- 2A. (i) A promoter is neither an agent nor a trustee of the company, but he occupies a fiduciary position in relation to the company. Discuss.
- (ii) The salient features of the Indian Partnership Act, 1932 will be applicable to limited liability partnership firm incorporated under the Limited Liability Partnership Act, 2008. Comment.
- (iii) While the doctrine of constructive notice seeks to protect the company against the outsider, the doctrine of indoor management operates to protect the outsiders against the company. Elucidate.
- (iv) What are the disqualifications of a designated partner ?

(4 marks each)

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

3. (a) In order to enhance the quality of professional services being rendered by Practicing Company Secretaries, the peer review has been introduced. Discuss.
- (b) The shareholders of Plastic Ltd. want to remove the Chairman of the company, who was appointed under the articles of association of the company. As a Company Secretary, what are the points you should keep in mind to deal with such a situation.
- (c) The Board meeting of Silky Infra Pvt. Ltd. was adjourned. Sunil, additional director, did not attend the original meeting and now requested the Company Secretary for the notice of the adjourned meeting. How would you as the Company Secretary of the company, deal with the issue ?
- (d) What is meant by floating charge and how it would be crystallised ?

*(4 marks each)***OR (Alternate question to Q. No.3)**

- 3A. (i) The Managing Director of Auto Carrier Ltd. has sought your advice in regard to the employment of his son-in-law in the company. As Secretary of the company, how shall you advise him in the matter keeping in view the regulatory provisions with regard to an office or place of profit under the Companies Act, 1956 ?
- (ii) “XBRL offers major benefits at all stages of business reporting and analysis.” Discuss.
- (iii) Discuss in detail the powers of the Court to intervene in the voluntary winding-up of a company.
- (iv) Explain the prohibitions and restrictions regarding political contributions by a company.

(4 marks each)

4. (a) Pawan, the Managing Director of ABC Ltd., resigned on 10th May, 2012. The company has filed E-form No.32 with the Registrar of Companies mentioning the date of resignation as 5th July, 2013. The company issued various cheques to its investors in repayment of the deposits after 10th May, 2012 and the said cheques were dishonoured. The investors filed complaints against the company and Pawan, the former Managing Director of the company. Discuss and advise whether Pawan shall be liable or not.
- (b) In the case of a company whatever is not stated in the memorandum of association as objects of the company is prohibited by the doctrine of *ultra vires*. Discuss with relevant case law.

(8 marks each)

5. Answer the following citing the relevant provisions of law/case law, if any :

- (a) DEF Ltd. is a wholly owned subsidiary of R.K. Advertisers Ltd. What points will you keep in mind while preparing the Director’s Report of R.K. Advertisers Ltd. to ensure proper compliance of the relevant provisions of the Companies Act, 1956 ?
- (b) Explain the procedure for reduction of share capital.
- (c) “Separate personality of a company is a special privilege. In case of dishonest or fraudulent use of this privilege, corporate veil can be lifted”. Discuss with reference to decided case law.

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- (d) A company has issued a prospectus to the public stating that the company has paid dividend regularly and the prospectus is silent relating to the sources of profits, *i.e.*, whether trading profits or capital profits. The fact is that the company has incurred losses for all the last 5 years, but the dividend is paid out of realised capital profits (*i.e.*, secret reserves). Y, a shareholder, claimed that the prospectus is false. Whether Y's contention is correct ? Discuss.

(4 marks each)

6. Write notes on the following :

- (a) Consequence of non-registration of charges
- (b) Conditions for valid forfeiture of shares
- (c) Statutory duties of a Company Secretary under the Companies Act, 1956
- (d) Qualifications and disqualifications of auditors.

(4 marks each)

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