

**TASK 8- Declaration and Payment of Dividend****Marks: 10 marks****Time: 20 minutes**

Q1) Alpha Herbals, a Section 8 company is planning to declare dividend in the Annual General Meeting for the Financial Year ended 31-03-2019. Mr. Chopra is holding 800 equity shares as on date. State whether the act of the company is according to the provisions of the Companies Act, 2013. (3 marks)

Q2) Wellness Medical Instruments Limited is a manufacturing company & has proposed a dividend @ 10% for the year 2018-19 out of the profits of current year. The company has earned a profit of ₹910 crores during 2018-19. The company does not intend to transfer any amount to the general reserves out of the profits. Is Wellness Medical Instruments Limited allowed to do so? Comment. (3 marks)

Q3) Vinod, holder of 5000 equity shares of ₹100 each of M/s. Sunshine Leather Shoes Limited did not pay final call of ₹10 per share. M/s. Sunshine Leather Shoes Limited declared dividend of 10%. Examine with reference to relevant provisions of the Companies Act, 2013, the amount of dividend Vinod should receive. (4 Marks)