



Semester -1
Marks- 40 (Descriptive)
Time- 1.5 Hours
Give your 200 %. Best of Luck !!!

Question-1 (5 marks)

L k J Ltd. is a company having paid up share capital of Rs 12.50 crores with total number of members being 3500. The board of directors have called a general meeting (the meeting) to be conducted on 06.05.2023 at 2.00 pm. On the date of the meeting the required quorum was not present within half an hour and hence was adjourned to the next week on 13.05.2023 on same day at same venue. In reference to the above scenario in light of the relevant provisions of the Companies Act, 2013 elucidate upon the following queries of the company:

- (i) What will be the fate of the meeting in case two members, in person, were present at the adjourned meeting held on 13.05.2023?
- (ii) In case on 06.05.2023 a total of 16 members were present but the chairman owing to the unruly behaviour of some members during the meeting had adjourned the same to 13.05.2023 and at the adjourned meeting only 3 members, in person, are present. What will be fate of such adjourned meeting?
- (iii) In case, where such meeting was called by the requisitionists under Section 100 of the Act and at such meeting the quorum was not present, what will be the fate of such meeting?

Question- 2 (5 marks)

The Board of Directors of SRD Limited, an unlisted public company, engaged in the business of manufacturing of two wheelers; intend to issue debentures in order to finance its project of electric scooter manufacturing. The company seeks your advice regarding the maximum amount of debentures it can issue to raise the desired funds. The company has provided the following abstracts from its financial statements ended on 31st March 2022:

<u>Authorised Share Capital:</u> 1,00,000 Nos. of Equity Shares of ₹100 each	1,00,00,000
<u>Subscribed and Paid-up Share Capital:</u> 40,000 Nos. of Equity Shares of ₹ 100 each, fully paid-up.	40,00,000
Share Premium Reserve	50,00,000
General Reserve	30,00,000
Balance in Profit and Loss Account	20,00,000
Capital Reserve (profit on sale of Fixed Assets)	30,00,000
8% Non-Convertible Debentures	30,00,000
9.5% Term Loan from XYZ Bank Limited for purchase of Plant and Machinery (Repayment starts after 1 year moratorium period)	20,00,000
Short-term Cash Credit Loan from XYZ Bank Limited (On hypothecation of stock and receivables of the Company, repayable on demand)	50,00,000

Referring to and analysing the relevant provisions of the Companies Act, 2013, advise the company presenting the necessary calculations:

- (i) The amount that can be raised by the company by issuing debentures and the resolution, if any, is required to be passed in the General Meeting of the Company in respect of the same?
- (ii) What will be your answer in case the above company desired to issue debentures with an option to convert such debentures into shares?

Question- 3 (5 marks)

Referring to the provisions of the Companies Act, 2013, answer the following queries:

- (i) What is the type of resolution to be passed and maximum number of persons to whom an offer by private placement in a financial year be made?
- (ii) Explain the consequences of non-allotment of shares within the stipulated timeline.
- (iii) In case the shares were allotted within the requisite allowed time, when can the company start utilizing the funds received by it from such private placement?



Question- 4 (4 marks)

S Ltd acquired 10% paid up share capital of H Ltd on 15th March 2017. H Ltd acquired 55% paid up share capital of S Ltd on 10th March 2018. H Ltd. on 25th September, 2020 decided to issue bonus shares in the ratio of 1:1 to the existing shareholders. Accordingly, bonus shares were allotted to S Ltd. Examine under the provisions of the Companies Act, 2013 and decide

- (i) the validity of holding of shares by S Ltd. in H Ltd.
- (ii) allotment of Bonus shares by H Ltd. to S Ltd.

Question- 5 (3 marks)

A General Meeting was scheduled to be held on 15th April, 2019 at 3.00 P.M. As per the notice the members who are unable to attend a meeting in person can appoint a proxy and the proxy forms duly filled should be sent to the company so as to reach at least 48 hours before the meeting. Mr. X, a member of the company appoints Mr. Y as his proxy and the proxy form dated 10-04-2019 was deposited by Mr. Y with the company at its registered Office on 11-04-2019. Similarly, another member Mr. W also gives two separate proxies to two individuals named Mr. M and Mr. N. In the case of Mr. M, the proxy dated 12-04-2019 was deposited with the company on the same day and the proxy form in case of Mr. N was deposited on 14-04-2019. All the proxies viz., Y, M and N were present before the meeting.

According to the provisions of the Companies Act, 2013, who would be the persons allowed to represent as proxies for members X and W respectively?

Question- 6 (4 marks)

Explain the following as per the provisions of the Companies Act, 2013:

- (i) Abridged Form of Annual Return
- (ii) Signing of Annual Return

Question- 7 (4 marks)

Which fund may be utilized by a public limited company for purchasing (buy back) its own shares? Also explain the provisions of the Companies Act, 2013 regarding the circumstances in which a company is prohibited to buy back its own shares.

Question- 8 (3 marks)

TDL Ltd., a public company is planning to bring a public issue of equity shares in June, 2018. The company has appointed underwriters for getting its shares subscribed. As a Chartered Accountant of the company appraise the Board of TDL Ltd. about the provisions of payment of underwriter's commission as per Companies Act, 2013.

Question 9 (3 marks)

Explain various instances which make the allotment of securities as irregular allotment under the Companies Act, 2013.

Question 10 (4 marks)

Examine the validity of the following different decisions/proposals regarding change of office by A Ltd. under the provisions of the Companies Act, 2013:

- (i) The Registered office is shifted from Thane (Local Limit of Thane District) to Dadar (Local limit of Mumbai District), both places falling within the jurisdiction of the Registrar of Mumbai, by passing a special resolution but without obtaining the approval of the Regional Director.
- (ii) The Registered office is situated in Mumbai, Maharashtra (within the jurisdiction of the Registrar, Mumbai, Maharashtra State) whereas the Corporate Office is situated in Pune, Maharashtra State (within the jurisdiction of the Registrar, Pune). A Ltd. proposes to shift its corporate office from Pune to Mumbai under the authority of a Board resolution.