



INTER CA – NOVEMBER 2018

Sub: BUSINESS & OTHER CORPORATE LAWS

Topics – The Companies Act, 2013 – Preliminary, Introduction to Company Law & Types of Companies, Incorporation of Companies and matters incidental thereto. (MOA, AOA), Prospectus and Share Capital.

Test Code – N8

Branch: Multiple

Date:

(50 Marks)

Note : All Questions are compulsory

Question 1 (4 marks)

The Memorandum of Association of a company was signed by two adult members and by a guardian of the other five minor members, the guardian signing separately for each minor member. The Registrar registered the company and issued under his hand a Certificate of Incorporation. The plaintiff contended that (a) conditions of registration were not duly complied with, and (b) that there were no seven subscribers to the Memorandum. Will the Court uphold his contention?

Question 2 (6 marks)

State the provisions relating to “shares with differential voting rights”. Board of directors of Progressive Ltd. decides to issue equity shares of the company with differential voting rights. Examining the provisions of the Companies Act, 2013, state the conditions to be complied with by the company in this regard.

Question 3 (4 marks)

“Moonstar Ltd” is authorised by its articles to accept the whole or any part of the amount of remaining unpaid calls from any member although no part of that amount has been called up. A’, a shareholder of the Moonstar Ltd., deposits in advance the remaining amount due on his shares without any calls made by “Moonstar Ltd.”.

Referring to the provisions of the Companies Act, 2013, state the rights and liabilities of Mr. A, which will arise on the payment of calls made in advance.

Question 4 (4 marks)

State the purposes for which the Share Premium account can be used under the provisions of the Companies Act, 2013

Question 5 (4 marks)

Explain the procedure for change of name of a company, as provided in the Companies Act, 2013

Question 6 (8 marks)

What conditions as required under the Companies Act, 2013 must be satisfied by a company for the forfeiture of shares of a member, who has defaulted the payment of calls? What are the consequences of such forfeiture.

Question 7 (8 marks)

Explain the steps to be taken by a company for transfer of its registered office from one State to another?

Question 8 (4 marks)

Define the term ‘Small Company’ as contained in the Companies Act, 2013

Question 9 (4 marks)

What is meant by “Abridged Prospectus”? Is it necessary to furnish abridged form of prospectus along with the application form for shares? Under what circumstances an abridged prospectus need not accompany the detailed information regarding prospectus along with the application form.

Question 10 (4 marks)

In what way does the Companies Act, 2013 regulate the payment of ‘underwriting commission’? Explain the provisions of the Act, state the conditions to be complied with before payment of such commission can be made to underwriters of the company
