

**TopYug Educations**

**CA – INTER – CORPORATE & OTHER LAWS**

**TEST 2 – Ch I & II of Co.s Act, 2013**

**Answer All the questions. Each question carries 5 marks each. Duration – 60 Mins**

1. BS & Co. Ltd. is registered as a Public Limited company. The shareholding pattern of the company is under:

<b>Category</b>	<b>No.</b>
Directors & their relatives	136
Employees	18
Ex-employees (shares were allotted when they were employees)	29
Six couples holding shares jointly in the names of husband and wife (6 x 2)	12
Others	06
<b>Total:</b>	<b>201</b>

The Board of directors of the company proposes to convert it into a private company. Referring the provisions of Companies Act, Advise the Board of directors about reduction in the numbers of members, if necessary apart from the steps to be taken for conversion.

2. 'A', a Chartered Accountant on the instructions of promoters of a company, prepared "Memorandum of Association and Articles of Association, paid the registration fee and got the company incorporated. 'A' claims his costs and charges from the company. The company refuses to pay. Will 'A' succeed?
3. The number of members of a private limited company falls below 2 on 1-7-19. The Company continues to carry on its business with the reduced number till 1-11-2019. During the intervening period between 1-7-19 and 1-11-19, the company contracts a debt. If the company with the reduced number had continued business say upto 3-1-2020 and the said debt has been incurred during the period between 1-7-2019 and 1-11-2019. Referring the provisions of The Companies Act, 2013, answer who shall be liable for the said debt?
4. A company was formed on the basis of a certificate of incorporation obtained by threatening the Registrar of Companies. Is the company legally formed?
5. Explain the differences between Company Limited by Shares and Company Limited by Guarantee?
6. The objects clause of the Memorandum of Association of the ABC (Pvt.) Ltd., New Delhi, authorized to do trading in mangoes. The company, however, entered into partnership with Mr. A and traded in mangoes and incurred liabilities to Mr. A. The Company, subsequently, refused to admit the liability to 'A' on the ground of 'ultra vires' the Company'. Advise whether stand of the company is legally valid and if so, give reasons in support of your answer.

**GOOD LUCK !**