



Company Law

Mock Exam Spring 2013
Module : D

(Additional reading time - 15 minutes)

February 18, 2013
100 marks – 3 hours

- Q.1 Under the relevant provisions of the Companies Ordinance 1984:
- (a) Define the term
 - i. “Chief Executive” (04 marks)
 - ii. “ Director” (01 marks)
 - iii. “Prospectus” (03 marks)
 - iv. “Public company” (03 marks)
 - (b) Can Central Depository be a holding company of any other company? (02 marks)
 - (c) What are the functions and powers of the Commission? Is Commission entitled to exercise the powers of Federal government? (03 marks)
 - (d) Ahmed, being a holder of debentures issued by UFQ Limited, requests the company for certain copies. You are required to elaborate whether or not the company is obliged to provide him with the following:
 - i- Copy of Memorandum of Association and Articles of Association
 - ii- Copy of the special resolutions passed in recent General meeting
 - iii- Copy of Minutes of Meeting for the last year’s Annual General Meeting
 - iv- Copy of the trust deed entered into for issue of debentures. (04 marks)
- Q.2 (a) Under the relevant provisions of Companies Ordinance 1984, explain the concept “Perpetual Debentures” under the Companies Ordinance 1984. (02 marks)
- (b) Explain the provisions of the Companies Ordinance 1984 regarding publication of name of a limited company. (04 marks)
- Q.3 Describe whether or not the following statements are in accordance with the requirements of the Companies Ordinance 1984.
- i. A trustee appointed under a trust deed can only file a suit against the issuer for redemption monies and he has got no other remedies available to him for redemption of amounts. (02 marks)
 - ii. The Registrar may refuse the registration of the mortgage or charge if the application is made by some person other than the company. (02 marks)
 - iii. The members register once closed by the company shall remain closed for at least 7 days and at the most 15 days and notice of such closure shall be sent to every member at his registered address. (04 marks)
 - iv. Annual list of members is filed within 30 days of the calendar year end in respect of those persons who were member of the company at the date of Annual General Meeting. (03 marks)
 - v. Statutory report is certified by the chairman of the board of directors before its filing with the registrar. (02 marks)
 - vi. The persons who authorize the financial statements of the company also authorize the directors report on those financial statements. (02 marks)
 - vii. At a statutory meeting of a company, members are at liberty to discuss anything pertaining to the company and members may pass any resolutions in the company. (02 marks)
 - viii. At a requisition of members, the directors should call an extraordinary general meeting within 21 days of filing of such requisition (03 marks)

- viii. Names of the first directors of a company must have been mentioned in the articles of association of the company. **(03 marks)**
- ix. Retiring chief executive should continue to perform in the position till his successor is appointed. **(03 marks)**
- Q.3 (a) Explain “Special Business” in context of general meetings. **(04 marks)**
- (b) What are the requirements of the Companies Ordinance 1984 for a proxy to be effective at any general meeting? **(06 marks)**
- (c) In certain circumstances any one member present to attend the meeting, and in certain other circumstances any two members present to attend the meeting may constitute a quorum. Explain the relevant requirements of the Companies Ordinance 1984. **(05 marks)**
- Q.4 (a) Mr. Hameed Gul is a renowned businessman who has recently been appointed as a director in Agha Textile Mills Limited. He wants to file a general notice to the company for his directorships so that his responsibility to disclose interests in the transactions is met. Guide Mr. Hameed regarding requirements of the Companies Ordinance 1984 in respect of such a general notice. **(04 marks)**
- (b) What is considered to be the date of declaration of dividend under the provisions of the Companies Ordinance 1984 and what are the consequences of non-payment of dividend within the prescribed time frame? **(03 marks)**
- (c) What are the contents of the register of contracts or arrangements in which directors are interested? **(06 marks)**
- (d) Explain the requirements of the Ordinance regarding inspection of the register of directors’ shareholding. **(04 marks)**
- Q.5(a) What gains are tenderable and what is the time limit for such tendering of gains? **(04 marks)**
- (b) Can a company enter into a contract through an agent who keeps the name of the company as an undisclosed principal? What shall be the procedure adopted by such person for making such a contract binding on the company. **(04 marks)**
- (c) Under the relevant provisions of the Companies Ordinance, explain whether the deposits received from the employees be used by the company in its ordinary activities. **(03 marks)**
- Q.6 Which persons are in-eligible to be appointed as an auditor of a company? **(05 marks)**

(THE END)