

<b>FINAL MOCK – WINTER 2013</b>
---------------------------------

<b>T.MARKS= 100</b>	<b>CORPORATE LAWS</b>	<b>TIME: 3 HOURS</b>
---------------------	-----------------------	----------------------

**Q1**

- a) In context of Companies (General Provisions and Forms) Rules 1985, discuss in detail the prescribed mode of submitting the documents or additional details to the SECP electronically (08)
- b) The general meeting of BUFFALO Limited, a listed company, was convened on 30 May 2012. However, only three shareholders turned up to attend the meeting.

Explain how BUFFALO Limited should deal with the above situation in the light of Companies Ordinance, 1984. (04)

**Q2**

The Directors of PIGEON Limited intend to wind up the company's business voluntarily. In the context of the Companies Ordinance, 1984 you are required to explain the following:

- (a) The requirement to file a declaration of solvency. (08)
- (b) The contents of declaration of solvency. (02)

**Q3**

You are Company Secretary of Horse Limited. Board of directors wishes to call the Annual General Meeting of the Company in the upcoming month. Apart from the usual items that are included in the agenda of this meeting, the shareholders approval is also to be obtained for investment in an associated company.

As a Company Secretary, you are required to **draft the complete notice** of the upcoming AGM.

*For the purpose of drafting statement of material facts with the notice, you may assume any detail necessary*  
(09)

**Q4**

According to the Competition Ordinance, 2010:

- (a) No undertaking shall enter into deceptive marketing practices.

List the practices which are deemed to fall under the purview of deceptive marketing practices. (03)

- (b) Briefly explain the term 'dominant position' and list the practices which constitute an abuse of dominant position, under the provisions of the Competition Act, 2010. (09)

**Q5**

Rabbit Modaraba, having multipurpose objectives, is incurring losses for the past three years. Its accumulated losses as at June 30, 2007 were Rs. 4.5 million as compared to the present paid up capital of Rs. 6.0 million. You are required to explain:

- The basis on which a winding up application may be filed against the Modaraba in the above situation.
  - Who can file such an application and the relevant authority with whom the application may be filed?
- (05)

**Q6**

On January 1, 2011 Leopard Black Limited (LBL), a company incorporated in Mauritius, established a branch office in Pakistan and commenced its business with the permission of the Board of Investment, Pakistan.

On February 10, 2011 LBL received a notice from the registrar's office for non-filing of certain documents.

In the light of the provisions contained in the Companies Ordinance 1984, you are required to give a list of the documents that LBL was required to submit to the Registrar before completion of 30 days from the date of establishment of the branch. Also discuss the requirements of law related to filing of accounts by LBL (07)

**Q7:**

CAT Limited, a listed company, has issued ten million shares of classes 'A' and 'B' each. The company passed a special resolution to alter some of the rights associated with class 'B' shares, which has aggrieved some of the shareholders.

Explain to the shareholders, aggrieved with the above changes, on the following:

- a) What remedy is available to the aggrieved shareholders under Companies Ordinance 1984 ? (03)
- b) Under what conditions can the decision of the company be cancelled ? (03)
- c) Explain to CAT Limited various rights and privileges which shareholders may have in case of more than one class of share capital, under the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000. (06)

**Q8:**

- a) Insaan (Private) Limited is part of a large group of companies including listed as well as unlisted entities. It is considering to get itself listed on the Karachi Stock Exchange. As the CFO of the Company, you are cognizant of the fact that the responsibilities of the company would increase significantly after it gets itself listed. Consequently, you are required to make a report for presentation to the directors as regards the following:
  - (i) Additional information to be disclosed in the Directors' report of a listed company. (08)
  - (ii) Circulation of quarterly accounts. (04)
- b) What is the composition of Human Resource and Remuneration (HR&R) Committee under Code of Corporate Governance (03)

**Q9:**

- a) On 5 March 2012 Whale Limited issued fully paid shares to Mutton Engineering (Pvt.) Limited against supply of machinery. State the requirements of the Companies Ordinance, 1984 and the requirement of issue of Capital Rules 1996, which Whale Limited is required to comply with, in this respect. (06)
- b) Donkey Oils Limited issued 50 million shares of Rs. 10/- each on March 20, 2007 and commenced its business on June 12, 2007. On April 7, 2008, the Board of Directors decided to issue further shares at a discount of Rs. 3/- per share. You are required to list the conditions specified under the Companies Ordinance, 1984 for the issuance of shares at discount. (05)

**Q10:**

Mr. Deer acquired 9% shares of Zebra Limited, a listed company, on July 10, 2007. He further acquired 4% and 3% shares of Zebra Limited on February 15, 2008 and March 7, 2008 respectively. Explain the requirements related to submission of statements of beneficial ownership in the above case. Also identify the dates by which Mr. Deer has to file the statement of beneficial ownership, in respect of the above purchases. (04)

**Q11:**

Dinosaur Limited, a public unlisted company has a paid up capital of Rs 100 million consisting of shares having face value of Rs 10 each. Last election of its Board of Directors was held on April 15, 2008 in which eight directors were elected. Total votes casted in the election were 2,400,000. Four of the directors belonged to the same family. The remaining directors were Mr. Whale, Mr. Elephant, Mr. Chicken and Mr. Beef. They secured 600,000, 350,000, 480,000 and 220,000 votes respectively. The remaining votes were equally distributed among the four directors of the family. Mr. Whale died on May 30, 2008 and Mr. Ant was appointed as a director on June 15, 2008 to fill in the casual vacancy.

Explain the following in the light of the provisions of the Companies Ordinance, 1984:

Who is responsible to fill the casual vacancy in the Board and when would Mr. Ant's term of office be completed? (02)

The conditions required to be fulfilled if a person desires to remove the following directors :

- (i) Mr. Ant (ii) Mr. Elephant (05)

**Best of Luck**