



CA INTERMEDIATE
SUBJECT- CORPORATE AND OTHER
LAWS

Test Code – ISP 2408
(Date :)

(Marks - 100)

TOPIC : FULL COURSE PAPER

Time allowed – 3 hours

Division A is compulsory

In Division B, Question No. 1 is compulsory

Attempt any Three questions out of the remaining Four questions

DIVISION – A (30 MARKS)

MULTIPLE CHOICE QUESTIONS :

1. Ramola Textiles is a listed public company with the share capital of ten crores. The share value of the share is Rs. 100/share. The company has maintained the following registers:
- Register of Members indicating separately for each class of equity and preference shares held by each member residing in or outside India
 - Register of Debenture-holder

The company has a registered office in Ahmedabad (Gujarat) and its Corporate office is situated in Mumbai. Around 17% of members who are equity share holders and 10% of the members who are preferential shareholders resides in Jaipur (Rajasthan). So out of these members 9% equity share holders and 5% preferential share holder made an application addressed to the company to shift its register of members to its liaison office in Jaipur. The company refused the request of the members by quoting that the register can only be maintained at registered office of the company. Mr. Raheem, a shareholder of the company, wants to sell all his shares in the company and wants to settle abroad. Mr. Raheem sold his equity shares to Mr. Ram on 7th May 2021. After completing all the formalities of transfer of shares Mr. Raheem left India on 10th May 2021. After three days span Mr. Ram figured out that his name was still not registered in company Register of Members (ROM). The Annual General Meeting was scheduled to be held on 25th May 2021. So, Mr. Ram wrote an e-mail to the company regarding addition of his name in ROM. But finally, after no response from the company, Mr. Ram approached the Tribunal to get his name registered in ROM. The Tribunal passed the order on 20th May 2021 to enter Mr. Ram's name in register of members of the company.

In the Annual General Meeting (AGM) the company declared to pay 10% dividend to all its shareholders out of the profits which it earned in previous financial year. Mr. Krish, a member of the company is holding 1000 equity shares in the company. Two years back Mr. Krish jointly bought fully paid 1000 equity shares of the company, with Mr. Azim, who is also a member of the company holding 1000 equity shares. Mr Krish needs to pay final call of Rs. 20 per share.

After the Annual General Meeting a report on the meeting including the confirmation to the effect that the meeting was convened, held and conducted as per the provisions of the Act and the rules made thereunder is required to be filed. A copy of the report was filed with the Registrar in Form No. MGT-15 with prescribed fees. **(3 MCQs of 2 Marks each)**

- (i) The Tribunal passed an order dated 20.05.2021. Latest by what date should the entry of Mr. Ram's name be made in the register of members?
- (a) 25.05.2021
 - (b) 27.05.2021
 - (c) 30.05.2021
 - (d) 31.05.2021
- (ii) Suppose the Chairman of the company after two days of AGM went abroad for next 31 days. Due to the unavailability of the Chairman, within time period prescribed for submission of copy of report of AGM with the registrar, the report as required was signed by two Directors of the company, of which one was additional Director of the company. Comment on the signing of this report of AGM.
- (a) Yes, the signing is in order as the report can be signed by any director in the absence of Chairman.
 - (b) No, the signing is not in order as only the Chairman is authorised to sign the report
 - (c) Yes, the signing is in order, as in the absence of Chairman at least two directors should sign the report.
 - (d) No, the signing is not in order, since in case the Chairman is unable to sign, the report shall be signed by any two directors of the company, one of whom shall be the Managing director, if there is one and company secretary of the company
- (iii) According to the provision of Companies Act, 2013, till what date the company should submit report of AGM to the registrar?
- (a) 04.06.2021
 - (b) 09.06.2021
 - (c) 24.06.2021
 - (d) 25.06.2021

2. Mr. Hari Dutta is an Operation head of North India region of Hilton Ltd. He was a full-time employee of the company. Mr. Hari draws a monthly salary of Rs. 1,00,000. On 14th May 2020, Mr. Hari applied for a loan of Rs. 10,00,000, to buy 1000 fully paid-up equity shares of Rs. 1000 each in Mohan Limited (holding company of Hilton Ltd). The company refused to grant loan to Mr. Hari saying he is not eligible for the loan for the said amount of Rs. 10,00,000.

Hilton Ltd. is a listed company, authorized by its articles to purchase its own securities. According to the balance sheet and Annual statements of the company for the year 2020-21:

- Issued, subscribed and paid-up Share Capital (20,00,000 equity shares of Rs. 100 each, fully paid-up)
- Free Reserves Rs. 30,00,00,000
- The security premium account Rs. 20,00,00,000
- The secured and unsecured Debt Rs. 50,00,00,000
- Accumulated losses Rs. 50,00,000

The company issued a circular as it wanted to buy back shares worth Rs. 10,00,00,000 from the funds it has in its free reserve and security premium account. The board of directors passed a resolution for the same on 28th April, 2021.

The company has filed with the Registrar of Companies a Letter of Offer in e-form SH-8 on 1st May 2021. The company had also filed with the Registrar of Companies, along with the letter of offer, a declaration of solvency.

The Letter of Offer was dispatched to all the shareholders on 3rd May, 2021. The company announced to avail the buy back offer latest by 10th May, 2021. Many shareholders who approached the company after the due date were not considered applicable for this buy back scheme. The shareholders raised strong objection on giving just 7 days time to avail the offer by the company.

A special resolution has been passed at a general meeting of the company authorizing the buy-back of shares, which was accompanied by an explanatory statement containing the particulars required to be mentioned as per the provisions of the Companies Act, 2013. **(3 MCQs of 2 Marks each)**

- (i) The company has planned to buy back shares worth rupees 10,00,00,000. What is the maximum amount of equity shares that the company is allowed to buy back based on the total amount of equity shares?
- (a) Rs. 2,00,00,000
 - (b) Rs. 5,00,00,000
 - (c) Rs. 7,00,00,000
 - (d) Rs. 8,00,00 000
- (ii) Suppose the company intends to buy back some partly paid equity shares. Which of the following statement is correct?
- (a) The company is allowed to buy back partly paid equity shares
 - (b) The company is allowed to buy back partly paid equity shares if the total amount of such partly paid equity shares does not exceed 2% of the total buy back.
 - (c) The company is allowed to buy back partly paid equity shares but it cannot buy back partly paid other specified securities.
 - (d) All the shares or other specified securities for buy back must be fully paid up.
- (iii) Some shareholders and officers of the company are of the opinion that it was not necessary for the company to pass a special resolution in general meeting with respect to buy back.
- Choose the correct reasoning:
- (a) It was not necessary to pass the special resolution as the approval of Board had already been granted for such buy back of shares
 - (b) It was necessary to pass special resolution as the amount of buy back exceeds ten percent of the total paid up equity share capital and free reserves
 - (c) It was not necessary to pass the special resolution as the buy back was authorized by the articles of the company
 - (d) It was necessary to pass special resolution as the amount of buy back exceeds fifteen percent of the total paid up equity share capital and free reserves

3. Kaisha Packers and Movers Limited, a reliable and well-established company, was incorporated on 20th September, 2014 with an aim to provide convenient and innovative ways of moving customers' household items, re-location of businesses and offices, shifting of vehicles, etc. in the northern region. Their services have been professionally designed to ensure maximum customers satisfaction. The company had been formed by the directors Kashi Sharma, Pranav Chaturvedi, Abhinav Mehra, Anoop Bhargava and Vikash Kumar whose friendship had developed during their college days. Due to hard work and their business acumen, the promoters had successfully created a niche for themselves amid cut-throat competition.

The company has a fleet of over 500 vehicles, 55 branches, professionals and technical and non - technical employees. Over a period of time, Kaisha Packers and Movers has become a trusted brand and prospective customers prefer to engage it whenever they want to re-locate their offices or homes since services are provided in a convenient and cost-effective manner.

The authorised capital of the company is Rs. 150.00 lacs divided into 15,00,000 equity shares of Rs. 10 each. At the time of incorporation, its paid-up capital was Rs. 1,00,00,000 and there were 50 shareholders. The registered office of the company is situated in Hyden Park, Bangalore.

With a view to provide world-class relocation and moving solutions throughout the country, the directors decided to enlarge the capital base of the company. During the mid of the current financial year, it offered remaining 5,00,000 shares to another 120 persons at a premium of Rs. 10 per share on private placement basis. Among others, Ruchi, a freelance software consultant and her younger sister Rumi, a management consultant in Info Solutions Limited which is well-known company for its high export turnover, were also identified as the prospective subscribers.

However, they requested the company to offer them only the minimum number of shares. Similar requests were also received from another twelve persons. Their requests were given due consideration by the directors. All the identified persons who were offered shares paid the required amount (including premium) as per the terms of the offer. The allotment of the shares was made much before the statutory period.

Immediately after the aforesaid allotment of shares, the company rolled out its expansion plan as envisaged earlier and utilised the funds so obtained for the requisite purpose. However, the company is desirous of tapping more prospective investors by offering them equity shares on private placement basis during the remaining part of the current financial year. For this purpose, it is proposed to increase the authorised capital from the present Rs. 150.00 lacs to Rs. 300.00 lacs. In addition to the further allotment of shares on private placement basis, the company is also contemplating to raise deposits from the members. However, Kashi Sharma and Anoop Bhargava are of the opinion that the company should consider raising of deposits only in the next financial year since the funds already raised need to be properly utilized. **(2 MCQs of 2 Marks each)**

- (i) According to the case scenario, the company is desirous of raising deposits from its members to augment the funding requirements. In case, the company also contemplates to raise deposits from public in addition to its members, which of the following option is applicable:
- (a) In order to raise deposits from public besides members, the company should have net worth of minimum Rs. 100 crores and a turnover of minimum Rs. 500 crores.
 - (b) In order to raise deposits from public besides members, the company should have net worth of minimum Rs. 150 crores and a turnover of minimum Rs. 250 crores.
 - (c) In order to raise deposits from public besides members, the company should have net worth of minimum Rs. 150 crores or a turnover of minimum Rs. 750 crores.
 - (d) In order to raise deposits from public besides members, the company should have net worth of minimum Rs. 100 crores or a turnover of minimum Rs. 500 crores.

- (ii) According to the case scenario, during the mid of the current financial year, the company offered 5,00,000 shares to 120 persons at a premium of Rs. 10 per share on private placement basis. During the remaining part of the current financial year, the company is desirous of tapping more prospective investors by offering them equity shares on private placement basis.

How many more such prospective shareholders can be invited by the company for investment in the capital of the company.

- (a) The company can offer equity shares maximum up to the 30 prospective shareholders in the remaining part of the current financial year.
- (b) The company can offer equity shares maximum up to the 55 prospective shareholders in the remaining part of the current financial year.
- (c) The company can offer equity shares maximum up to the 80 prospective shareholders in the remaining part of the current financial year.
- (d) The company can offer equity shares maximum up to the 130 prospective shareholders in the remaining part of the current financial year.

4. Madhu Oils and Fats Ltd. is a listed entity. It finalised its annual accounts for the year ended on 31st March, 2021. The Audit Committee of Board (ACB) recommended and subsequently the Board approved the same.

Annual General meeting of the shareholders was convened on 25th August, 2021, in which the annual accounts of the company were presented before the shareholders. The shareholders have approved dividend @ 10%.

A report of the Board of Directors was attached with the annual accounts of the company.

During the said meeting, a shareholder pointed out that during the year of 2020-21 there was a big news in the media and newspaper that a fraud has happened in the company of an amount of Rs. 75 lakhs, with the involvement of a senior management official of the company, who is absconding since the news came into media. However, there was no mention about the fraud in the Auditor's Report as well as no comment in the Board's Report. The auditor, who was also present in the General Meeting of the shareholders informed that fraud was detected during the course of audit but no further action was taken by him (auditor). **(2 MCQs of 2 Marks each)**

- (i) Going by the facts of the case, by what date should the amount be deposited in a separate account maintained with the scheduled bank for dividend purposes?
- (a) By 30th August 2021
- (b) By 1st September 2021
- (c) By 7th September 2021
- (d) By 24th September 2021
- (ii) The auditor had noticed the fraud that was committed by the senior management. Which is the correct statement in this respect:
- (a) The auditor shall report the matter to the Central Government immediately.
- (b) It is not necessary to disclose the details of fraud in the Board's Report
- (c) The auditor shall report the matter to the audit committee constituted

under section 177 or to the Board.

(d) Since the Senior Management Personnel is absconding, the auditor is not required to take any action.

5. Omx Software private Limited is a private company And having its registered office in Bangalore and is a wholly owned subsidiary of Omx Software Inc, situated in USA. Mr. Rajat Kapoor, Mr. Shubham and Mr. Peter are directors of Omx Software Private Limited. Mr. Rajat and Shubham are Indian residents while Mr. Peter is a non – resident and stays in USA. Mr. Peter is also a director in Omx Software Inc. Mr. Rajat left India on 2nd November, 2021 for the purpose of looking after the business of Omx Software Inc. Mr. Rajat came to back to India on 12th February, 2022 to meet his family and left India on 26th February, 2022 and went back to USA to look after the business of Omx Software Inc. Mr. Rajat again visited India on 25th August, 2022 and stays in India for the whole year. Omx Software Private Limited had availed a consultancy service from a company situated in USA for development of software for the purpose of rendering service to its customers situated in India. Mr. Rajat had purchased a residential property in USA on 27th April, 2022 which was self – occupied by him for his residential use.

(2 MCQs of 2 Marks each)

- (i) Considering the provisions of the Foreign Exchange Management Act, 1999, which of the following options correctly determines the residential status of Mr. Rajat Kapoor :
- (a) Mr. Rajat Kapoor to be treated as resident in India for Financial Year (FY) 2022 – 2023 and FY 2023 – 2024 since he stays in India for more than 182 days.
 - (b) Mr. Rajat Kapoor to be treated as non - resident in India for Financial Year 2022 – 2023 since he left India for the purpose of carrying business of Omx Software Inc and resident for FY 2023 – 2024.
 - (c) Mr. Rajat Kapoor to be treated as non – resident for FY 2022 – 2023 and FY 2023 – 2024
 - (d) Mr. Rajat Kapoor to be treated as resident in India for FY 2022 – 2023 since he stays in India for more than 182 days and non – resident for FY 2023 – 2024
- (ii) Considering the provisions of the Foreign Exchange Management Act, 1999, How much amount can company remit outside India :
- (a) Permissible amount remitted to US company for obtaining consultancy without obtaining prior approval of RBI is USD 1,000,000 per project.
 - (b) Permissible amount remitted to US company for obtaining consultancy without obtaining prior approval of RBI is USD 1,00,000 per project.
 - (c) Permissible amount remitted to US company for obtaining consultancy without obtaining prior approval of RBI is USD 2,00,000 per project
 - (d) Permissible amount remitted to US company for obtaining consultancy without obtaining prior approval of RBI is USD 2,000,000 per project
- (iii) Considering the provisions of the Foreign Exchange Management Act, 1999, in respect of purchase of residential property by Mr. Rajat in USA which of the following statement is correct ?
- (a) Purchase of residential property by Mr. Rajat is a current account transaction
 - (b) Mr. Rajat has to sell his property before returning to India permanently as he becomes resident in subsequent years

(c) Purchase of residential property by Mr. Rajat is neither capital account transaction nor current account transaction

(d) Purchase of residential property by Mr. Rajat is a capital account transaction

6. Vidhya masterminds LLP was incorporated on 15th April, 2023. Sagar, Manthan, Vishnu and Vasuki were partners in the firm. Sagar and Manthan were also the designed partners in this firm. The firm was incorporated with the object of manufacturing and trading of cycles. The business was going too smoothly.

But on 30th April, 2023, some Mr. Vidhyaram Tolaramani filed an application to registrar that he has a registered trademark in the name of "Vidhya Master" which he has got registered before 15.04.2023. Therefore, the LLP "Vidhya Masterminds LLP" should change its name. On the basis of basic investigation, registrar found that Mr. Vidhayaram Tolaramani was correct in contention. The registrar sent a direction to Vidhya Masterminds LLP to change its name as it too nearly resembles with the trademark of Mr. Vidhyaram Tolaramani. i.e. "Vidhya Masters". The notice was issued by the registrar on 5th May, 2023 by post but due to some internal problem of postal department, notice reached the LLP on 10th May, 2023. Vidhay masterminds LLP ignored the notice and continued working under the same name. On 15th August, 2023 the registrar suo - moto allotted the LLP a new name "Sahitya Materminds LLP" and entered this new name in the register of LLP and also issued a fresh certificate of incorporation to Vidhya masterminds LLP with new name. Vidhya Materminds LLP, now "Sahitya Masterminds LLP" was not comfortable with new name. It started the process to change the name allotted by the registrar.

Meanwhile, Vishnu was appointed designated partner in Vidhya Masterminds LLP on 25th July, 2023 but this information was not sent to the registrar. On 20th June, 2023, mr. Vasuki had given a written notice to the LLP that he could not continue as a partner in LLP with effect from 22nd July, 2023. This cessation from the LLP was also not informed by either LLP or Mr. Vasuki, to the Registrar.

On the basis of above facts and by applying applicable provisions of the Limited Liability partnership Act, 2008 and the applicable Rules therein, choose the correct answer (two) of the following MCQ given herein under : **(2 MCQs of 2 Marks each)**

- (i) When the registrar directed Vidhya Masterminds LLP to change its name, by which date the LLP should have changed the name of LLP ?
- (a) By 5th August, 2023 i.e. within a period of 3 months from the date of issue of such direction by registrar.
 - (b) By 10th August, 2023 i.e. within a period of 3 months from the date of receiving of such direction by the firm.
 - (c) By any time according to the convenience of Vidhya Masterminds LLP.
 - (d) Vidhay Masterminds LLP is not liable to change its name.
- (ii) Vishnu was appointed as designated partner in the Vidhya Masterminds LLP on 25th July, 2023. By what time limit the LLP should have informed the registrar?
- (a) 9th August, 2023 i.e. within 15 days of appointment.
 - (b) 24th August, 2023 i.e. within 30 days of appointment
 - (c) 25th August, 2023 i.e. within 1 month of appointment.
 - (d) 25th October i.e. within 3 month of appointment.

DIVISION – B (70 MARKS)

Question No. 1 is compulsory

QUESTION : 1

Mr. Shivesh, an Indian national desires to obtain foreign exchange for the following purposes-

- 1) Remittance of US dollars 50,000 out or winnings on a lottery ticket.
- 2) US dollar 100,000 for sending a cultural troupe on a tour of USA

Advise him whether he can get foreign exchange and if so under what conditions

(4 MARKS)

QUESTION : 1(B)

An allottee of shares in a Company brought action against a Director in respect of false statements in prospectus. The director contended that the statements were prepared by the promoters and he has relied on them. Is the Director liable under the circumstances? Decide referring to the provisions of the Companies Act, 2013.

(5 MARKS)

QUESTION : 1(C)

A group of enthusiastic women is planning to establish the Nursing Medicare Association, a limited liability company with the objective of providing comprehensive theory and practical training to aspiring nurses. The association aims to operate under the provisions of section 8 of the Companies Act, 2013, with a core objective of education. The intended duration for the association's operation is set at ten years, after which a dissolution will be initiated. In the event of dissolution, any remaining assets exceeding liabilities will be allocated among the members according to the standard procedures permitted by the Companies Act.

Assess the viability of the proposal and offer guidance to the promoters, taking into account the regulations outlined in the Companies Act, 2013.

(6 MARKS)

QUESTION : 1(D)

Examine the validity of the following with reference to the relevant provisions of the Companies Act, 2013:

- (i) The Board of Directors of a company refuse to convene the extraordinary general meeting of the members on the ground that the requisitionists have not given explanatory statement for the resolution proposed to be passed at the meeting.
- (ii) The Board of Directors refuse to convene the extraordinary general meeting on the ground that the requisitions have not been signed by the joint holder of the shares.
- (iii) Adjournment of extraordinary general meeting called upon the requisition of members on the ground that the quorum was not present in the meeting.

(4 MARKS)

QUESTION : 2(A)

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.

(4 MARKS)

QUESTION : 2(B)

HD Software Private Limited is engaged in the business of providing software services. The company appointed its statutory auditors. The engagement letter was signed with a clause that fee to be mutually decided. However, the remuneration was not finalized. Directors of

the company seeks your advice for, provisions related to remuneration of directors¹ as per the provisions of the Companies Act, 2013.

(4 MARKS)

QUESTION : 2(C)

M/s Vardhman Steels LLP was incorporated on 01.09.2022. On 01.01.2023, one partner of a partnership firm named M/s Vardhimaan Steels is registered with Indian Partnership Act, 1932 Since 01.01.2000 requested ROC that as the name of LLP is nearly resembles with the name of already registered partnership firm, the name of LLP should be changed. Explain whether M/s Vardhman Steels LLP is liable to change its name under the provisions of Limited Liability Act, 2008 ?

(4 MARKS)

QUESTION : 2(D)

Sun Light Limited was incorporated on 22nd January 2019 with the objects of providing software services. The Company adopted its first financial year as from 22nd January 2019 to 31st March 2020. The financial statement for the said period, after providing for depreciation in accordance with Schedule II of the Companies Act, 2013 revealed net profit. The Board of Directors declared 20% interim dividend at their meeting held on 7th July 2020, before holding its first Annual General Meeting. In the light of the provisions of the Companies Act, 2013 and Rules made thereunder:

- (i) Whether the Company has complied due diligence in declaring interim dividend?
- (ii) Whether the Company can declare dividend in case it was registered under Section 8 of the Companies Act, 2013?
- (iii) What are the penal consequences in case of failure to pay the interim dividend?

(5 MARKS)

QUESTION : 3(A)

Ranjit acquired a property from ABC Limited which was mortgaged to OK Bank. He settled the dues to Ok Bank in full and the same was registered with the sub-registrar who has noted that the mortgage has been settled. But neither the company nor OK Bank has filed particulars of satisfaction of charge with the Registrar of Companies. Can Mr. Ranjit approach the Registrar and seek any relief in this regard? Discuss this matter in the light of provisions of the Companies Act, 2013.

(4 MARKS)

QUESTION : 3(B)

ABC Private Ltd. has two wholly owned subsidiary companies, D Private Limited and E Private Limited. Examine, whether, D Private Limited and E Private Limited will be treated as related party as per the provisions of the Companies Act, 2013?

(5 MARKS)

QUESTION : 3(C)

Search & Find Pte. Ltd., incorporated in Singapore. The Company sells its goods through electronic mode on the e-commerce platforms in India, however, it does not have any branch or office in India. Is the Company required to submit the documents as required under Section 380 of the Companies Act, 2013.

(3 MARKS)

QUESTION : 3(D)

A notice when required under the Statutory rules to be sent by "registered post acknowledgment due" is instead sent by "registered post" only. Whether the protection of presumption regarding serving of notice by "registered post" under the General Clauses Act

is tenable? Referring to the provisions of the General Clauses Act, 1897, examine the validity of such notice in this case.

(5 MARKS)

QUESTION : 4(A)

In what way is 'heading and Title of a Chapter' considered as internal aid in the interpretation of statutes.

(6 MARKS)

QUESTION : 4(B)

Who all cannot be appointed as a trustee for the depositors. Enumerate with reference provisions to the Companies Act, 2013 read with the 'Acceptance of Deposits' Rules, 2014.

(5 MARKS)

QUESTION : 4(C)

Dhiman Limited, is a company incorporated in India. Dhiman Limited is a leading manufacturer of sports shoes. It has many subsidiaries, one of them being Best Shoes Limited which is based in Morocco. Dhiman Limited is in the process of finalization of the consolidated financial statements of the company for the year ended 31 March 2022. The accounts section of Dhiman Limited has requested the management of Best Shoes Limited to provide its standalone financial statements to Dhiman Limited. The subsidiary company prepares its financial statements in the local language of the country and the same is provided to the Indian parent company. Further, audit of financial statement is not required by the Best Shoes Limited under the Moroccan laws.

Advise, how would Dhiman Limited deal with the consolidation of such financial statements.

(6 MARKS)

QUESTION : 5(A)

Mr Nilesh has transferred 1000 shares of Perfect Vision Private Ltd. to his sister Ms. Mukta. The company did not registered the transfer of shares and also did not send a notice of refusal to Mr. Nilesh or Ms. Mukta within the prescribed period. Discuss as per the provisions of the Companies Act, 2013, whether aggrieved party has any right(s) against the company?

(5 MARKS)

QUESTION : 5(B)

Mr. Rohan, an Indian Resident individual desires to obtain Foreign Exchange for the following purposes:

- (a) US \$ 1,20,000 for studies abroad on the basis of estimates given by the foreign university.
- (b) Gift Remittance amounting US \$10,000.

Advise him whether he can get Foreign Exchange and if so, under what condition(s)?

(6 MARKS)

QUESTION : 5(C)

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 favour 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?

(6 MARKS)