

**The Companies Act, 2013****Preliminary****Marks: 14 marks****Time: 20 minutes**

Q1) P Limited is a company registered under the Company's Act, 2013 and 40% of its paid-up share capital is held by Central Government and 13% is held by public institution like Life Insurance Corporation (LIC) and Unit Trust of India (UTI). Can P Limited be treated as a government company under the provisions of the Companies Act, 2013? (4 marks)

Q2) MNP Pvt. Ltd. is a company registered under the Companies Act, 2013 with a paid-up capital of ₹45 lakhs and turnover of Rs. 3 crores. Explain the meaning of 'Small Company' and examine the following:

- (i) Whether MNP Pvt. Ltd. can avail the status of small company?
- (ii) What will your answer be if the turnover of the company is ₹1.50 crore?

(CA-Inter, May 2018) (6 marks)

Q3) Multiple Choice Questions (4 marks)

(i) Jason Ltd. which provides marketing and consultancy services is keen to have a 'significant influence' in Raymond Ltd. so that it becomes its 'associate company'. For having 'significant influence' Jason Ltd. needs to control certain percentage of total voting power of Raymond Ltd. What is that?

(a) For creating 'significant influence' Jason Ltd. must control at least five per cent of total voting power of Raymond Ltd.

(b) For creating 'significant influence' Jason Ltd. must control at least ten per cent of total voting power of Raymond Ltd.

(c) For creating 'significant influence' Jason Ltd. must control at least fifteen per cent of total voting power of Raymond Ltd.

(d) For creating 'significant influence' Jason Ltd. must control at least twenty per cent of total voting power of Raymond Ltd.

(ii) H Ltd. holds more than 51% voting power of S Ltd. and also controls composition of R Ltd. Both S and R Ltd. are subsidiaries of H Ltd. S Ltd. Holds 20% voting power of P Ltd., R Ltd. also holds 20% voting power of P Ltd. H Ltd. also holds 20% voting power of P Ltd. Whether P Ltd. is also subsidiary of H Ltd.?

(a) Yes

(b) No

(c) Partly Yes

(d) Partly No

DISCUSS AND CHECK YOUR SOLUTION WITH ME!!

For Answer Discussion video follow the link

<https://www.youtube.com/watch?v=mqduiNek4pw&list=PL0sBEDN99Ti5pajh79FrnXfk6EfcbrFXv&index=1>