



Task 2- Incorporation of a Company

Marks: 12 marks

Time- 20 mins

Q1) Anil Electronics Limited is a manufacturer of Refrigerators. It has raised ₹100 crores through public issue of its equity shares for starting one more unit of refrigerator manufacturing. It has utilized 10 crores rupees and then it realized that its existing business has no potential for expansion because government has reduced customs duty on import of refrigerators hence imported refrigerators from China are cheaper than its own manufacturing. Now it wants to utilize remaining amount in air conditioners development business by adding a new object in its memorandum of association. Does the Companies Act allow such change of object. If not then what advise will you give to company. If yes, then give steps to be followed. (5 marks)

Q2) WeCare school started imparting education on 1.4.2010, with the sole objective of providing education to children of weaker society either free of cost or at a very nominal fee depending upon the financial condition of their parents. However, on 30th March 2018, it came to the knowledge of the Central Government that the said school was operating by violating the objects of its objective clause due to which it was granted the status of a section 8 company under the Companies Act, 2013. Describe what powers can be exercised by the Central Government against the WeCare School, in such a case? (5 marks)

Q3) If a company changes its name; which of the following is most accurate: (1 mark)

- (a) It is not allowed to use old name in any way
- (b) New name should not be identical with old name
- (c) Old name should be painted/printed for next 1 years along with new name
- (d) Old name should be painted/printed for next 2 years along with new name

Q4) A company is said to have been registered when? (1 mark)

- a. It files Memorandum of association and Articles of Association
- b. It gets incorporation certificate with the Registrar of Companies.
- c. It gets certificate for commencement of business.
- d. It actually starts its business.

DISCUSS AND CHECK YOUR SOLUTION WITH ME!!

For Answer Discussion video follow the link

<https://www.youtube.com/watch?v=vAXHrW0gPy0&list=PL0sBEDN99Ti5pajh79FrnXfk6EfcbrFXv&index=2>



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