


Name:			
Enrolment No:			
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES			
End Semester Examination, December 2018			
Program: B.Com., LL.B. (Hons.) Taxation Law		Course Code: LLBL421	
Semester: V		Max. Marks: 100	
Course: Company Law I		Duration: 3 Hrs	
Course Code: LLBL 421			
No. of page/s: 02			
SECTION A (Answer all questions)			
Comment on the following statements.			
Q.No.	Question	Marks	CO
1.	With the death of all the promoters, members and directors of a company, the company ceases to exist too.	[02]	C421.1
2.	“Pvt. Ltd. Co.” must be used in the names of all private limited companies, failing which liability may be imposed for mis-description of name.	[02]	C421.3
3.	There is no difference between share and share stock.	[02]	C421.4
4.	All the directors are appointed by the shareholders in the general meeting.	[02]	C421.6
5.	An extra ordinary general meeting cannot be held more than once in a calendar year.	[02]	C421.6
SECTION B (Write short notes on any 04 questions)			
6.	Evolution of Company Law in India.	[05]	C421.1
7.	Distinction between company and partnership firm.	[05]	C421.2
8.	Deemed public offer.	[05]	C421.4
9.	Bonus issue of shares.	[05]	C421.5
10.	“No dividend can be paid by a company except out of profits”.	[05]	C421.5
SECTION C (Attempt any 02 questions)			
11.	With the help of relevant provisions of the Companies Act, 2013 and relevant case laws, elaborate the grounds on which the corporate veil of a company may be lifted.	[10]	C421.1

12.	“A prospectus must state the truth, and nothing but the truth”. Explain.	[10]	C421.4
13.	Define the term ‘share’. What are the different types of shares that may be issued by a company? Explain with the help of relevant provisions of the Companies Act, 2013.	[10]	C421.5
SECTION D (Answer all questions)			
14.	A group of persons desirous of forming a company want to know the procedure for getting the name of the company approved by the Registrar of Companies. Advise the group about the procedure to be followed by the applicant group in this regard.	[10]	C421.3
15.	The Board of directors of Acute (Pvt.) Ltd., incorporated under the Companies Act, 2013, decides to convert the company into a One Person Company (OPC). Explain the procedure as provided under the Companies Act, 2013 to be followed in this regard.	[10]	C421.3
16.	Satish is a shareholder of a company holding 150 shares. Satish dies leaving Rajesh as his legal representative. Rajesh is not a member of the company. Rajesh transfers all 150 shares of the deceased member to Mahesh. Is the transfer valid? Explain the reasons for your answer on the basis of relevant provisions of the Companies Act, 2013.	[10]	C421.5
17.	Innovative Energies Limited has 2,505 members as on the date of the company’s extraordinary general meeting. The Executive Director, Mr. Avinash has asked you, the Secretary of the Company, regarding the required quorum for the meeting. Referring to the provisions of the Companies Act, 2013, explain to the Executive Director, Mr. Avinash, the quorum that must be present for holding the Extra-Ordinary General Meeting of the company in accordance with the governing legislation. Whether the required quorum must be present throughout the meeting?	[10]	C421.6
18.	Sand Ltd. wants to appoint River as Managing Director of the company for a period of three years with effect from December 15, 2018. River has given a written statement to the company that he has paid rupees one thousand to the prescribed authorities as fine for a conviction of an offence under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 on 30th June, 2018. Explain whether River can be appointed as Managing Director of the company under the Companies Act, 2013.	[10]	C421.6

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SECTION A (Answer all questions)
Comment on the following statements.

1.	The disadvantages of incorporation outweigh the advantages of it.	[02]	C421.1
2.	An association of persons or partnership consisting of more than 200 persons and not registered under any legislation in India is referred to as illegal association.	[02]	C421.3
3.	If a promoter is held liable for breach of duty, there are no remedies available to an investor, as his conduct in question is in the pre-incorporation phase.	[02]	C421.3
4.	A company can issue both redeemable and irredeemable shares under the Companies Act, 2013.	[02]	C421.5
5.	A company can have both a manager and managing director.	[02]	C421.6

SECTION B (Write short notes on any 04 questions)

6.	Evolution of Company Law in England.	[05]	C421.1
7.	Distinction between company and cooperative society.	[05]	C421.2
8.	Shelf Prospectus.	[05]	C421.4
9.	Reduction of share capital.	[05]	C421.5
10.	Payment of dividend.	[05]	C421.5

SECTION C (Attempt any 02 questions)

11	What is a prospectus? Write a note on mis-statement in prospectus.	[10]	C421.4
12	Write a note on forfeiture of shares.	[10]	C421.5
13	Write a note on class meetings.	[10]	C421.6

SECTION D (Answer all questions)

14	The authorised share capital of Amaze Ltd. is 10 crore divided into equity shares of 100 each. The Board of directors of the company decides to sub-	[10]	C421.3
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	divide these shares into shares of 10 each, so that the liquidity in dealing with shares at the stock exchange may become easier. The Articles of Association of the company are silent on the issue. The company is listed at the Bombay Stock Exchange. As the Secretary of the company, what procedure would you follow to give effect to the Board's proposal under the provisions of the Companies Act, 2013 ?		
15.	San Industries Private Limited Company has its paid-up share capital of Rs. 40 lakhs and turnover of Rs. 10 crore as per the last audited Balance Sheet. Examining the provisions of the Companies Act, 2013, decide whether the company will be treated as a Small Company. What would be your answer in case the company is governed by any special Act?	[10]	C421.3
16.	Motilal Shah Company limited, at a general meeting of the members of the company, passes an ordinary resolution to buy back 20% of the equity shares capital. The articles of association of the company empower the company for buy back of shares. The company further decides that the payment for buyback be made out of the proceeds of the company's earlier issue of equity shares. With the help of the relevant provisions of the Companies Act, 2013, explain the validity of the decision. Would your answer still be the same in case the company decides to buyback 30% of equity share capital, instead of 20% ?	[10]	C421.5
17.	Shaky Commodities Private Limited could not hold its 10th Annual General Meeting (AGM) for the year 2018 by June 30, 2018. The company sought extension of time for holding the AGM from the Registrar of Companies but failed to hold the meeting within the extended time too. Instead, it held the meeting on November 30, 2018 and passed resolutions thereat. Certain shareholders have challenged the validity of these resolutions. Referring to the provisions of the Companies Act, 2013, examine whether the contention of the shareholders is tenable.	[10]	C421.6
18.	Newly incorporated Abhay Limited has not mentioned names of first directors of the company in the Articles of Association. Referring to the provisions of the Companies Act, 2013, advise the Board of Directors regarding the appointment of first directors of the company. What would be your answer in case the company is a One Person Company? Also explain whether provisions of the Act are applicable to a Private Limited Company.	[10]	C421.6