Your Roll No.

Sr. No. of Question Paper 3206
Unique Paper Code: 2412081202
Name of the Paper: Company Law
Type of the Paper: DSC 2.2
Semester: II
Program: B.Com (H) UGCF

Duration–3hours Maximum Marks – 90

Instructions for candidates –

1) Write your roll no. on the top immediately on receipt of this question paper.
2) Attempt all questions.
3) All questions carry equal marks.

1. (a) Discuss the concept of lifting the Corporate Veil? When can it be pierced as per statutory provisions under companies act, 2013?
(b) Explain section 464 related with Illegal Association and its legal effects.
(c) Explain the meaning and objects of a producer company.

OR

(a) The directors of Excel Pvt. Ltd want to convert their company into a public limited company. Advise them about the procedure involved for this under the Companies Act, 2013.
(b) Define 'Promoter'. Comment on legal position of promoters as per companies act, 2013
(c) What is a dormant company? What conditions are to be satisfied by the company to apply for this status?

2. (a) A company's object clause in the Memorandum of Association is of fundamental importance not only to its members but also to the non-members. Elaborate along with procedure of changes in object clause in MOA.
(b) "A Prospectus must state truth and nothing but truth". Explain mis-statements in a prospectus citing case laws
(c) Discuss the rule laid down in Royal British Bank vs. Turquand. Are there any exceptions to this rule?

OR

(a) XYZ ltd. issued a prospectus with misleading contents in it. A, an investor had the knowledge of the misleading contents so he did not subscribe for the shares. However later on he purchased some of the shares from his friend to whom the shares had been originally allotted by the company. A, then claimed compensation from the company on the ground that the prospectus contained the misleading content. Can he succeed? Explain with reasons.
(b) The articles of a company provided that in the event of a shareholder becoming bankrupt, his shares would be offered for sale to other shareholders at a price fixed by the company. Is the provision binding on the shareholders?
(c) Write steps for online incorporation of a Company.

3. (a) What statutory provisions must be complied with before a valid allotment of shares can be made?

(b) What are the restrictions on transfer of shares by Private Companies?
(c) Differentiate between right shares and bonus shares.

OR

(a) Explain forfeiture of shares, its procedure and its legal effects.
(b) What are the provisions of law as to 'Employee Stock Option Scheme'?
(c) Explain provisions of Buyback of shares under section 68.

4. (a) Explain legal position of Directors of a company.
(b) What is an 'Extraordinary General Meeting'? Can it be convened by the directors on their own? Is it possible for a company to adjourn EGM on the ground that the quorum was not present at the meeting?
(c) Write a note on participation in a board meeting through video conferencing.

OR

(a) Write a note on ' Voting by Electronic Means'.
(b) What are the statutory powers of directors? Explain the powers which the board of directors cannot exercise without a unanimous consent.
(c) Can a director be removed by the tribunal before the expiry of his term?

5. (a) What will disqualify a person from being appointed as an auditor of a company?
(b) Discuss the grounds and process for the voluntary liquidation of a corporate entity as per the insolvency and bankruptcy code, 2016.
(c) Define a Depository. What are the salient features of the Depository system?

OR

(a) A company is required to pay dividend to its shareholders within 30 days of its declaration. State the circumstances when a company will not be deemed to have committed any offense even it does not pay dividend within 30 days.
(b) A company's trade has been suspended temporarily owing to the trade depression but it has bonafide intention to continue its operations when conditions improve. Can it be considered as just and equitable ground by the tribunal for the winding up of the company? Decide.
(c) Explain provisions under section 139 of appointment of Auditors.