

**Roll No.**  
**SAP ID**



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, July 2020**  
**Open Book – Through Blackboard Learning Management System**

**Course: Company Law II**

**Semester: VIII**

**Programme: Btech LL.B CSE (CL)/ ET (IPR)**

**Course Code: LLBL 422**

**Time: 03 hrs.**

**Max. Marks: 100**

**Instructions:**

As this examination is in open-book format, the students are expected to demonstrate a very high degree of Academic Integrity and not copy contents from resources referred. Instructors would look for understanding of the concept by the students and any similarity found from resources online/ offline shall be penalized in terms of deduction of marks and even cancellation of paper in requisite cases. The online examination committee of the School would also look for similarity of two answer scripts and if answer scripts of two or more students are found similar, both the answer scripts shall be treated as copied and lead to cancellation of the paper. In view of the aforesaid points, the students are warned that they should desist from using any unfair means.

**All Questions are Compulsory**  
**Answer each question in not more than 500 words**

S. No.		Marks	CO
1	X, Y & Z directors of a company were the major shareholders of the company. X was the chairman of the company. At a meeting of the Board of Directors, it was decided to increase the share capital. Y and Z did not have the money to take up additional shares and feared that in consequence, X would corner all shares and become predominant in the company. So a general meeting was called and it was resolved that the present members alone should not benefit vfrom the prosperity of the company, but others should also share and a special resolution was passed that the new shares may be offered to about a dozen persons who were not members of the company. X rushed to the court complaining of oppression, saying that Y and Z wanted to throw him out as director and chairman of the company and they had passed a special resolution to bring about a change in the management. What are the chances, if any, of X succeeding in the proceeding?	20	3
Ans.			
2	Gold Ltd. Is a listed company with paid up capital of Rs 125 crores and free reserves of Rs 250 crores. Silver Pvt Ltd. Has approached Gold Ltd. For a loan of Rs 300 crores to set up a manufacturing plant. Comment whether Gold Ltd. Can give aforesaid loan to Silver Pvt Ltd. keeping in view that Raman is a director in both the companies.	20	1
Ans.			

3	“The Courts in England have emphatically rejected the notion that a body corporate could not commit a criminal offence which was an outcome of an act of will needing a particular state of mind. The aforesaid notion has been rejected by adopting the doctrine of attribution and imputation. In other words, the criminal intent of the "alter ego" of the company / body corporate, i.e., the person or group of person that guide the business of the company, would be imputed to the corporation.” Comment	20	5
Ans.			
4	Write reasons for the following: a) Companies not offering loans to their directors b) Importance of place of business in classifying a company as a foreign company c) deadlock in management as a ground of winding up of a company d) Allowing related party transactions only on arms length basis	5+5+5 +5	2
Ans.			
5	Telly Tale Ltd. was allotted the telecom licence by the Govt of India to offer mobile telephony services. The licence was subsequently cancelled by the Supreme Court of India. Would it be just and reasonable to wind up the company in the circumstances?	20	4
Ans.			

I, ....., understand that submitting work that isn't my own may result in failure in this paper and I may also be subject to Disciplinary Proceedings as per the Academic Integrity policy of the University.