Name:

Enrolment No:

UPES

End Semester Examination, December 2024

Course: Company Law I **Semester:** XI

Program: B.A., LL.B (Hons.)/ B.B.A., LL.B. (Hons.)/ B.Com., LL.B (Hons.)

Time : 03 hrs.

Course Code: CLCC3001 **Max. Marks: 100**

Instructions:

SECTION A (5Qx2M=10Marks)			
S. No.	Answer the following	**Marks**	**CO**
Q1.	Define Resident Director.	**2**	**CO1**
Q2.	Define Red-herring Prospectus.	**2**	**CO1**
Q3.	Define the purpose of doctrine of *Constructive Notice.*	**2**	**CO1**
Q4.	Explain the characteristics of companies formed under section 8 of Companies Act 2013.	**2**	**CO1**
Q5.	State two circumstance wherein the special resolution is required to be passed.	**2**	**CO1**
SECTION B (4Qx5M= 20 Marks)			
	Answer the following		
Q6.	Distinguish between equity shares and preference shares.	**5**	**CO2**
Q7.	Elucidate the legislative requirements for appointment of small shareholder Director.	**5**	**CO2**
Q8.	Explain the Entrenchment clause with reference to Articles of Association.	**5**	**CO2**
Q9.	Explain the concept of 'Private Placement'	**5**	**CO2**
SECTION-C (2Qx10M=20 Marks)			
	Answer the following		**CO**

Q10.	"While the offer for new shares being issued by a public limited company is to be made only to the existing shareholders yet these shares can also be offered to outsiders." Discuss the statement in the light of the provisions of the Companies Act, 2013.	**10**	**CO3**
Q11.	"Doctrine of Indoor Management is a silver lining to strangers dealing with the company." Analyze the statements in light of the provisions of Companies Act 2013.	**10**	**CO3**
SECTION-D **(2Qx25M=50 Marks)**			
	Answer the following:		
Q12.	**Attempt any two out of the below mentioned three questions.** **12.1** Divine Industries (Pvt.) Ltd. has a turnover of Rs. 350 Crore during the financial year 2016-2017. The bankers of the company have advised the company to compulsorily appoint a woman director in the company as required under the Companies Act, 2013. Referring to the provisions of the Act, examine the validity of the banker's advice. **What would be your answer in case the company in question is a public limited company? [12.5 Marks]** **12.2** Newly incorporated Abhay Ltd. 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 state whether provisions of the Act are applicable to a Private Ltd. Company. [12.5 Marks]** **12.3** A General Meeting was called by a Company in December, 2017. The meeting was adjourned to march 2018 and then held. Subsequently the meeting was held in 28 February 2019. **Referring to the provisions of the Act decide whether the company is liable for any irregularity? Explain with the help of relevant Provisions**	**25**	**CO4**

	Explain the consequences in case of irregularity in holding the meeting? [12.5 Marks]		
Q13.	Attempt any one of the following: **a)** After receiving 80% of the minimum subscription as stated in the prospectus, a company allotted 100 equity shares to ‘Mr. X’. The company deposited the said amount in the bank but withdraw 50% of the amount before finalisation of all the allotment, for the purpose of certain assets. ‘Mr. X’ refuses to accept the allotment of shares on the ground that the allotment is violative of the provisions of Companies Act, 2013. **Examine the validity of the allotment in light of the provisions of Companies Act, 2013.** **OR** **b)** All statement in a prospectus issued by X & Co. Ltd. were literally true but it failed to disclose that the dividends stated in it as paid were not paid out of trading profits but out of realised capital profit. This statement that the company had paid dividends for several years was true. But the company had incurred losses for all those years, however, no disclosure of this was being made in the prospectus. An allottee of shares Mr. Abhishek wanted to avoid the contract on the ground that the prospectus did not disclose the fact which in his opinion was very material. Would he succeed. **Advise Mr. Abhishek regarding the remedies available to him in the instant case**.	**25**	**CO4**