



**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: VI**

**Programme: BA., LL.B. (HONS.) CRIMINAL LAW/LABOUR LAW/ CONSTITUTIONAL LAW 2017**

**Course Code: CLCC 3006**

**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	The debentures issued by a company created a floating charge on the company's property and stock-in-trade, with the condition that the company was not to create any prior charge. The manager of the company having forgotten this commitment, deposited the title deeds of the company's property with a bank by way of security for a loan obtained. The bank also happened to hold some of the company's debentures on deposit by one of its customer. How would you decide the issue of priority of charges between the debenture holder and the bank using the provisions of Companies Act 2013 and relevant judicial pronouncement?	20	CO1
Ans.			

2	<p>A group of share holders holding more than 15% of the paid –up capital of XYZ ltd have filed a petition before the Tribunal alleging that various illegal invalid and irregular transections are entered into the name of the company.</p> <p>(a) Examine and decide the petition in light of the Companies Act and judicial pronouncements made in this regard.</p> <p>(b) Give you opinion regarding maintainability of the petition challenged by 5% of the members out of that group who disassociated themselves and submit for rejection of the petition along with the majority members.</p>	20	CO1
Ans.			
3	<p>Examine with reference to provisions of the Companies Act, 2013, whether the following companies can be treated as foreign company?</p> <p>a) XYZ ltd. is a company registered in Sinngapore. It is having a place of business in India through electronic mode and physically there is no place of business in India.</p> <p>b) If representatives of ABC Ltd. which is incorporated outside India, frequently visited and stayed in a hotel for looking after purchase of machinery and other articles.</p>	20	CO3
Ans.			
4	<p>(a) Winding up brings about an end to the legal existence of a company. It affects not only the status of the company, but also the rights of the shareholders, contributories, creditors, and employees of the company, and all those having dealing with the company.” Examine the correctness of this statement with regards to the rights and liabilities of the above parties, in the event of winding up order by the Tribunal.</p> <p>(b) ‘X’, a secured creditor of a company, made demand to the company for repayment of the money for which company did not pay attention. On</p>	10x2= 20	CO2

	<b>January 3, 2020 he served a legal notice with a last warning to make the payment within 30 days of service of notice but the company failed to make the payment in the given time. Advice Mr X about approaching to the appropriate legal forum and legal remedies available to him.</b>		
Ans.			
<b>5</b>	<p><b>“A company can only act through human beings and a human being who commits an offence on account of or for the benefit of a company will be responsible for that offence himself. The importance of incorporation is that it makes the company itself liable in certain circumstances, as well as the human beings.”</b></p> <p><b>Analyze the statement of <i>G. Williams</i> and explain the circumstances in which a corporation can incur criminal liability. Also discuss the complexities relating to corporate criminal liability resolved through judicial pronouncements in India.</b></p>	<b>20</b>	<b>CO4</b>
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.**