

Reg. No. :

Name :

**Eighth Semester B.A. LL.B. (Five Year Integrated) Degree
Examination, August 2016
Paper – III : COMPANY LAW**

Time : 3 Hours

Max. Marks : 80

PART – I

Write short note on **any five** of the following in not exceeding **50** words. **Each** question carries **2** marks :

1. Private limited company.
2. Who is a promoter?
3. Shelf prospectus.
4. Estoppel created by a share certificate.
5. Preference shares.
6. Dividend.
7. Reconstruction of a company.

(5×2=10 Marks)

PART – II

Answer **any four** of the following questions in not exceeding **120** words. **Each** question carries **4** marks :

1. Explain the term “Just and equitable” for the purpose of compulsory winding up.
2. Examine the rule in “Royal British Bank V. Turquand” with exceptions.
3. What is debenture ? Distinguish between registered debentures and bearer debentures.
4. Who is a member ? Name the ways in which a person can become a member of a company.
5. What is meant by resolutions ? Distinguish between ordinary resolutions and special resolutions.

(4×4=16 Marks)



PART – III

Answer **any four** of the following problems. **Each** question carries **6** marks :

1. 'X' Ltd. files a suit against 'Y' Ltd. The majority of members of 'X' Ltd. were also members of 'Y' Ltd. In the meeting of 'X' Ltd. majority passed a resolution to compromise the suit in favour of 'Y' Ltd. Can the minority share holders legally challenge the resolution ? Give reasons.
2. As per the instructions given by the promoters of a Public Limited Company, 'X' a solicitor prepared certain documents and paid necessary expenses for the registration of a company. After in corporation of the company, 'X' sued the company for the refund of such expenses. Is the suit maintainable ? Why ?
3. The articles of association of a company provided that if a member become insolvent, the share of such insolvent member would be sold to a person at a price fixed by the directors of the company. The trustee of the share holder contended that, he should be free to sell at a market price. Is the claim valid ? Give reasons.
4. 'X' defaulted a call amount of Rs. 50,000/- in respect of shares allotted in his favour. 'X' did not pay this amount for ten years by which time the claim of the company barred by limitation. The liquidator, at the time of winding up of the company, called up on 'X' to make the payment. Is 'X' liable to make the payment ? Substantiate.
5. The quorum fixed for the meeting of a public limited company is 10. Out of the total number of members, nine members gives their proxy in favour of one member. The member present in the meeting and passed resolutions. Does his presence constitute valid quorum ? Substantiate the validity of resolutions ? **(4x6=24 Marks)**

PART – IV

Answer **any three** of the following questions. Answer should not exceed **300** words. **Each** question carries **10** marks :

1. What is meant by lifting of corporate veil ? Examine the circumstances in which the corporate veil can be lifted.
2. Discuss the civil and criminal liability of misstatement in prospectus.
3. Who is a director ? Discuss briefly the position and powers of a director.
4. How does winding up of a company differs from "dissolution" ? Who is a contributory and state the liability of a contributory. **(3x10=30 Marks)**