



Reg. No. : .....

Name : .....

**Eighth Semester B.A.LL.B./B.B.A.LL.B./B.Com.LL.B. (Five Year Integrated) Degree Examination, October 2017**  
**Paper III – COMPANY LAW**

Time : 3 Hours

Max. Marks : 80

**PART – I**

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

1. Illegal association.
2. Object clause of Memorandum of Association.
3. Tortious liability of Corporation.
4. Statement in lieu of prospectus.
5. Minor as a member in a company.
6. Declaration of solvency.
7. Auditors.

**(5×2=10 Marks)**

**PART – II**

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

1. Discuss briefly about members voluntary winding up.
2. Discuss the rule in Foss V. Harbottle.
3. Examine the procedures of a valid meeting.
4. Distinguish between share certificate and share warrant.
5. Who is a promoter ? What are the duties of a promoter ?

**(4×4=16 Marks)**





## PART - III

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

1. A Public Limited Co. was incorporated with a memorandum of association signed by two adults and five minors, the guardian of the minors signed five times for each minors. Can the R.O.C. issue the certificate of incorporation ?
2. 'X' was appointed as Managing Director for ten years under an agreement signed with the Company. Two years later, the company amended its articles of association giving power to remove a director at any time. Consequently the company dismissed 'X'. Advise X.
3. 'X' purchased 1000 shares of 'Y' Ltd. from the open market after the public issue was closed. Later he could discover that some statements made in the prospectus were deceitful. Hence he filed a suit against the directors of the company for deceit. Can he succeed ? Give reasons.
4. An inspector was appointed to investigate into the affairs of 'X' Ltd. Can he also investigate into the affairs of 'Y' Ltd., which is a subsidiary company of 'X' Ltd. and 'Z' Ltd., which is a holding company of 'X' Ltd. ?
5. Certain goods worth Rs. 20 lakhs was sent to ABC Company by 'X' and the company received the goods, but the payment was not made alleging that the goods were not of the quality prescribed in the contract. Thereafter 'X' sends a statutory notice to ABC Company and then files a winding up petition on the ground that ABC Company is unable to pay its debt ? Will he succeed ? Give reasons. **(4x6=24 Marks)**

## PART - IV

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

1. Explain the rule in Turquand's case with exceptions. Refer case laws.
2. Explain the provisions for allotment of shares. What is meant by forfeiture of shares ?
3. How a director is appointed in a company ? What are the duties of a director ?
4. Who is a liquidator ? State the powers and duties a liquidator. **(3x10=30 Marks)**