

Reg. No. :

Name :

**Eighth Semester BA LLB/B.Com LL.B/BBA LLB (Five Year Integrated)
Degree Examination, September 2019**

Paper III – COMPANY LAW

Time : 3 Hours

Max. Marks : 80

I. Answer any **five** questions. [2 mark each] not exceeding 50 words.

- a. Guarantee Company
- b. Call on shares
- c. Redemption
- d. Special resolution
- e. Statement in lieu of prospectus.
- f. Foreign company
- g. Illegal Association

(5 × 2 = 10 Marks)

II. Answer any **four** questions. [4 mark each] not exceeding 120 words.

- a. Lien on shares
- b. Majority Rule
- c. Modes of acquiring membership.
- d. Powers of liquidator.
- e. Corporate Social Responsibility

(4 × 4 = 16 Marks)

III. Answer any **four** questions. [6 mark each]

- a. ABC company issued a prospectus assuring a dividend payout of 35 % per annum. X purchased shares on that basis. However the company refused to pay dividend as promised. Discuss remedies available to X.
- b. A mortgage was created over the property of company. The loan was advanced by the wife of a director. But the director did not disclose his interest in the transaction. The company files action to set aside the transaction. Decide.
- c. The company lost part of its capital. It proposed a scheme to reduce the capital by cancelling unissued shares. The creditors filed an objection before NCLT. Discuss whether reduction of capital can be sanctioned.
- d. A housing company sold an apartment to its Manager by accepting 50% in cash and balance in installments. Examine whether the transaction attracts the provisions relating to loan to directors.
- e. A obtains a share certificate in his name by practicing fraud on the company. A sells them to B who purchases the same in good faith. B applied to the company to have the shares registered in his name. The company discovered the fraud and refused to register the shares. Discuss whether the company is liable to B.

(4 × 6 = 24 Marks)

IV. Answer any **three** questions. [10 mark each] not exceeding 300 words.

- a. Discuss the procedure for appointment and removal of directors.
- b. Explain different kinds of meetings of shareholders of the company.
- c. Enumerate the consequences of fraud and misrepresentation in prospectus.
- d. Explain the circumstances where the central government can interfere in the internal management of a company.

(3 × 10 = 30 Marks)