

HONS. 05 / 002 / 23

B.A., LL.B. (Hons.) DEGREE FIFTH SEMESTER EXAMINATION, NOVEMBER 2023

COMPANY LAW

Time: 3 Hours

Maximum Marks: 50

PART A

(Answer ANY FIVE questions)

(5 X 4 = 20)

- I. Write a brief note on:
- (a) Red herring prospectus
 - (b) Promoter
 - (c) Domestic and foreign company
 - (d) Listed company
 - (e) Fiction theory of corporate personality
 - (f) One person company
 - (g) Articles of Association
 - (h) Doctrine of *ultra vires*

PART B

(Answer ANY TWO questions)

(2 X 6 = 12)

- II. Tressa refuses to pay on a call made by the company for the outstanding amount on her share. She claims that she had already sold her shares and the matter was reported to the company. Company responds to say that her transfer of shares was rejected in the best interests of the company and she must pay on the call. The dispute is before the NCLT. Decide. Give reasons for your answer.
- III. Abhay is the largest individual shareholder of the company though he is not part of the promoter group. Abhay requests the promoters to elect him as a director but they refuse to do so. He approaches the NCLT claiming that not making him a director despite being the largest individual shareholder is an oppressive act on the part of the promoters. Decide. Give reasons for your answer.
- IV. Shashi, a new employee, is issued sweat equity shares by a start-up in the very first year of its incorporation. The issue of sweat equity shares to Shashi is questioned before the NCLT by an existing shareholder of the company. Decide on the validity of the allotment. Give reasons for your answer.

PART C

(Answer ANY TWO questions)

(2 X 9 = 18)

- V. Critically examine the qualifications, mode of appointment, removal, role, and functions of an auditor in a listed company.
- VI. Critically evaluate the extend of regulatory control on Indian companies.
- VII. Explain the role, powers, and liability of the board of directors in a company.
