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5 SEM LLB CL 2 (N)

2018

(December)

LAW

Paper : 5.2

(Company Law)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Write in brief the historical background of formation of a Company. State duties and liabilities of promoters of a Company.

6+6

Or

What do you mean by Corporate Social Responsibility of a Company under the Company Law? Do you think companies are bound to follow this provision? Discuss.

2. What is meant by 'Memorandum of Association'? Explain its importance in a Company.

Or

Explain in brief the Doctrine of Constructive Notice. Is there any exception to the Doctrine? Elaborate your answer. 6+6

3. Explain the meaning and nature of 'Share' as understood in the Company Law. Discuss the procedure for the allotment of shares in a Company. 6+6

Or

What do you mean by 'Charge'? Explain different kinds of charges. State effects of registration and non-registration of charges with the Registrar of Companies. 4+4+4

4. "Majority must Prevail", is the principle of company management. Are there any exception to this rule? Discuss. 12

Or

Discuss the provisions of the Companies Act in cases of oppression and mismanagement. 12

5. What are the consequences of winding-up order made to a Company? Discuss. Can an employee of a Company be heard in a winding-up petition? Discuss with case laws. 6+6

Or

Who can apply for winding up of a Company? Discuss the different entities in detail. 12

6. Write in brief on the following: 2×5=10

- (i) Certificate of Incorporation
- (ii) Remedies for misrepresentation in the Prospectus
- (iii) Share Certificate
- (iv) One man Company
- (v) Dividend.

7. Choose the correct answer: 1×10=10

(i) The change of Registered office of Company from one state to another may only be made by —

- (a) Amendment of the Article of Association itself
- (b) General Body Meeting of shareholders
- (c) Directors of the Company
- (d) Amendment of the Memorandum of Association itself.

(ii) A limited Company cannot be registered as unlimited Company without written assent of :

- (a) Director
- (b) Managing Director
- (c) Every member
- (d) Some members.

(iii) Every Public Company shall have atleast :

- (a) five Directors
- (b) seven Directors
- (c) four Directors
- (d) three Directors.

(iv) The First Annual General Meeting of a Company must be held within :

- (a) ten months of its incorporation
- (b) twelve months of its incorporation
- (c) fifteen months of its incorporation
- (d) eighteen months of its incorporation.

(v) A general rule is that under Company Law a general meeting must be called by giving notice not less than :

(a) 15 days notice in writing

(b) 18 days notice in writing

(c) 21 days notice in writing

(d) 24 days notice in writing.

(vi) A shareholder can transfer his share :

(a) with the consent of other shareholders

(b) without the consent of other shareholders

(c) with the consent of Directors

(d) without the consent of the Directors.

(vii) In the case of a Company no maximum number for membership is fixed. But a partnership firm cannot have more than :

(a) fifteen members

(b) eighteen members

(c) nineteen members

(d) twenty members.

(viii) The limitation period to prefer an appeal to the Central Government against the refusal to register the transfer of share or transmission or against any failure of a Company on its part is :

- (a) one month
- (b) two months
- (c) three months
- (d) four months.

(ix) A proposal when passed and accepted by the members at meetings of Company becomes :

- (a) accepted proposal
- (b) decision
- (c) resolution
- (d) decided matter.

(x) Shareholders in practice are the proprietors of the Company whereas the debenture holders are :

- (a) Financiers of the Company
 - (b) Creditors of the Company
 - (c) Promoters of the Company
 - (d) Stockholders of the Company.
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