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Your Roll No.....

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M.Com./Semester III (NC)

Paper No : MN341 : Corporate Laws

Time : 3 Hours

Maximum Marks : 100

(Write your Roll No. on the top immediately on receipt of this question paper.)

Attempt All questions.

1. (a) Why the Bubble Act was introduced in 1719 and repealed afterwards ? Discuss in detail the historical background of corporate law in India. 20

Or

- (b) Explain the various new provisions related to the "formation of a company", "Company Directors" and "Company meetings" that has been added in Companies Act, 2013. 12

P.T.O.

- (c) Mr. Tisco was the promoter of a Xello Pvt. Ltd. company and had purchased a property at the time when he was in process of promoting the company. After the commencement of Business, Mr. Tisco sold the property to the company and made a profit of Rs. 20,000 which he didn't disclosed to the members. Do you think Mr. Tisco could be held liable for non-disclosure of such an act ? Explain the Legal positions, liabilities and duties of a promoter with the help of relevant case laws (u/s 2(69), 34 & 35 of Companies Act, 2013).

8

- 2 (a) "Pre-incorporation contracts are not valid". Do you agree ? Support your answer with reasons and relevant case laws.

10

- (b) Ceba Pvt. Ltd. Co. has allotted some shares to its employees on 21-01-2007 and 6 employees who were

allotted shares left the company on 13-01-2014. One of the members in Annual general meeting objected that the count of total no. of members has reached 204 and therefore, the company should necessarily be converted into a Public Ltd. Co. (u/s 14 of Companies Act, 2013)

Do you agree with the suggestion of the member ?

Give reasons to support your answer . 10

Or

- (c) What are the various general principles related to the allotment of shares ? Explain with the help of relevant case laws. 12
- (d) What are the provisions related to appointment or reappointment of Auditors of a Government Company u/s 139 of Companies Act, 2013 ? Explain. 8
3. (a) Explain the various circumstances, where it becomes necessary to lift the Corporate veil with the help of relevant case laws. 10
- (b) Explain the various penalty provisions mentioned u/s 19 of Depositories Act, 1996. 10

Or

(c) Discuss the function and powers of SEBI in relation to the securities market as per the SEBI Act, 1992. 20

4 Read the following statements and comment. Give reasons for your answer. 10×2=20

Attempt any *ten* of the following :

- (a) "A minor cannot become a member."
- (b) "No individual Director has the power to call Extra Ordinary General Meeting."
- (c) "Special Resolution and Resolutions requiring special notice are similar."
- (d) "All kinds of Business items may be transacted through Postal Ballot."
- (e) "It is compulsory for the companies to appoint an Independent Director and a Women Director u/s 149 of Companies Act, 2013".
- (f) "All the companies are entitled to make political contributions."

- (g) "A Public or a Private company may be converted into a One person company" (Rule 7 of Companies (Incorporation) Rules, 2014).
- (h) "Subsidiary Company may be a member of its Holding Company."
- (i) "Associate company and Subsidiary company constitute same meaning."
- (j) "A company cannot change its registered office from one state to another."
- (k) "Reduction of capital and Diminution of capital are not two different concepts."
- (l) "Shares may be allotted to a charitable trust as a donation."
- (m) "No shares can be issued at a discount."
- (n) "Transfer of shares is the result of operation by law."
- (o) "A company registered in India is not a Citizen of India."

5. Write short notes on any *four* of the following : 4-5=20

(a) Sub-underwriting (u/s 26 of Companies Act 2013)

(b) Related Party Transactions (u/s 188 of Companies Act 2013).

(c) Removal and Replacement of Liquidator (u/s 276 of Companies Act, 2013)

(d) Power of Depositories to make Bye-laws (u/s 26 of Depositories Act, 1996)

(e) Dispute settlement in case of Producer's company (u/s 581 ZO of Companies Act, 2013)

(f) Legal position of a Promoter (u/s2(69) of Companies Act 2013)