

F 4542

(Pages : 2)

Reg. No.....

Name.....

**FIVE YEAR B.A., LL.B./B.B.A., LL.B./B.Com., LL.B. (HONS.) DEGREE
EXAMINATION, DECEMBER 2023**

Seventh Semester

F.L. 20—COMPANY LAW

(2019 Admissions—Regular/2018 Admissions—Supplementary)

Time : Three Hours

Maximum : 75 Marks

Part A

Write short notes on any five of the following.

Each question carries 3 marks.

1. Corporate Social Responsibility.
2. Certificate of incorporation.
3. One Person Company.
4. Distinction between 'debenture' and 'loan'.
5. Requisites of a valid meeting under company law.
6. National Company Law Tribunal (NCLT).

(5 × 3 = 15 marks)

Part B

Answer any three of the following problems.

Each question carries 10 marks.

7. 'X' and 'Y' sold a certain business to 'Z' and agreed not to compete with him for a specified number of years. Shortly afterwards, in violation of the contract term, 'X' and 'Y' formed a private company for doing similar business and they became the principal shareholders and directors of the company. Explain the rights of 'Z' against the company.
8. A company was in the process of incorporation. Promoters of the company signed an agreement for the purchase of 100 pieces of office furniture for the company and payment was to be made to the suppliers of the furniture by the company after incorporation. Shortly after incorporation, but before the Directors were appointed, the company went into financial crisis and the consideration could not be paid by the company for the purchase of the furniture. The suppliers have sued the promoters of the company for the recovery of money. Decide.

Turn over

9. 'ABC Limited' wants to extend a loan of Rupees 2 crore to 'PQR Private Limited'. One of the directors of 'ABC Limited' is also a director in 'PQR Private Limited'. Is it permissible for 'ABC Limited' to grant the loan ? Give reasons for your answer.
10. Certain creditors of 'XYZ Ltd.' are of the opinion that affairs of the company are being conducted in a manner prejudicial to their interests. Advise them as to the remedies, if any, available to them under the provisions of the Companies Act, 2013.

(3 × 10 = 30 marks)

Part C

Answer any two of the following questions.

Each question carries 15 marks.

11. "The doctrine of Constructive Notice in relation to the memorandum and articles of association is not a positive doctrine but a negative one and the doctrine of indoor management is just the opposite to it". Comment on the statement with reference to case law.
12. Discuss in detail the legal status of a director in a company. Support your answer with suitable judicial decisions.
13. Discuss the scope and extent of the terms 'Compromise', 'Arrangement', 'Merger' and 'Amalgamation'. In doing so, briefly mention the factors that trigger the companies to execute schemes related to non-organic reconstruction. What are the limitations to the schemes related to corporate restructuring ?

(2 × 15 = 30 marks)