



**PRESIDENCY UNIVERSITY
BENGALURU**

SET A

**SCHOOL OF LAW
END TERM EXAMINATION - JAN 2024**

Semester : Semester V - 2021

Course Code : LAW2045

Course Name : Company Law- II

Program : B.Com LLB Honors

Date : 10-JAN-2024

Time : 1:00 PM - 4:00 PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

ANSWER ALL THE QUESTIONS

10 X 10M = 100M

1. Can directors of a company under the Companies Act, 2013, exercise their powers to override shareholder decisions if they believe it's in the best interest of the company's long-term sustainability and growth, even if it goes against the majority shareholder's wishes? Discuss in detail the powers of Directors under the Companies Act, 2013.

(CO1) [Comprehension]
2. The legal position of directors under the Companies Act, 2013, in India is a complex and multifaceted one. Directors are individuals who are responsible for the management and decision-making of a company, and they owe certain duties and responsibilities to the company and its shareholders. In the light of above statements discuss the legal positions of directors under the Companies Act, 2013.

(CO1) [Comprehension]
3. Under the provisions of the Companies Act, 2013, what are the specific circumstances and procedures for the removal of directors from the board of a company, and how do this process impact corporate governance and the overall functioning of the organization. Discuss

(CO1) [Comprehension]
4. Consider a scenario where a company, XYZ Ltd., is planning to conduct its Annual General Meeting (AGM) under Section 96 of the Companies Act, 2013. Illustrate the key procedural steps and legal requirements that the company needs to adhere to for organizing a successful AGM, emphasizing the roles of stakeholders, the agenda-setting process, and compliance with statutory timelines.

(CO2) [Comprehension]
5. A company, ABC Ltd., is facing a critical situation that requires urgent attention from its shareholders. The Board of Directors decides to convene an Extraordinary General Meeting (EGM) to address the issues. However, some shareholders are unable to attend in person due to various reasons. Discuss the legal provisions and procedures outlined in the Companies Act, 2013, regarding the convening of an EGM. Discuss the mechanisms that are available for shareholders who cannot attend in person, and how can they participate or vote in the meeting? Additionally, explore any specific requirements or formalities that the company must adhere to when conducting an EGM to ensure its validity and legality under the Companies Act, 2013.

(CO2) [Comprehension]

6. ABC Pvt. Ltd. is contemplating a crucial decision that requires shareholder approval through an ordinary resolution. The Board of Directors is aware of the significance of obtaining majority consent but is facing some challenges in garnering support from all shareholders. Examine the provisions of Section 114 of the Companies Act, 2013, regarding ordinary resolutions. Discuss the requirements for passing an ordinary resolution, the voting process, and the majority needed for approval. In the event of dissenting shareholders, discuss the legal options does the company have, and how can the board navigate potential obstacles to ensure the successful passage of the resolution in compliance with the Companies Act, 2013?

(CO2) [Application]

7. XYZ Ltd. is preparing to convene its Annual General Meeting (AGM), and the Board of Directors is tasked with issuing notices to all shareholders. However, due to a recent change in the registered addresses of some shareholders and technical issues in the communication system, there are concerns about the effective dissemination of notices. Discuss the legal requirements outlined in the Companies Act, 2013, regarding the issuance of notices to shareholders for an AGM. Explore the obligations of the company in attaching an explanatory statement along with the notice. Additionally, analyze any legal consequences or remedies available to the company in the event of non-compliance with the notice requirements of the Companies Act, 2013.

(CO2) [Application]

8. Mr. A is the sole shareholder and director of a one-man company, ABC Pvt. Ltd. Recently, concerns have arisen regarding the formalities and conduct of meetings in this unique corporate structure. Discuss the challenges and legal considerations associated with meetings in a one-man company, by the Companies Act, 2013. Discuss are the specific requirements for convening meetings, recording minutes, and making decisions in such a company structure? Considering the solitary nature of ownership, how does the concept of quorum apply, and what measures can Mr. A take to ensure compliance with corporate regulations while maintaining the practicality of a one-man company? Analyze any potential consequences or benefits associated with the meeting procedures in a one-man company.

(CO3) [Application]

9. LMN Ltd., a multinational company with shareholders spread across the globe, is planning to make a significant decision requiring shareholder approval. Due to the diverse locations of the shareholders, the Board of Directors is considering the option of using a postal ballot for the vote. Examine the legal provisions and procedures concerning the use of postal ballots in company meetings, as outlined in the Companies Act, 2013. Discuss the requirements for initiating a postal ballot, including the nature of resolutions that can be passed through this method. Consider the safeguards in place to ensure the integrity of the voting process and the protection of shareholders' rights. Additionally, analyze any challenges or limitations associated with the use of the postal ballot in multinational companies like LMN Ltd., and suggest measures to enhance the effectiveness and fairness of the postal ballot system.

(CO4) [Application]

10. LMN Pvt. Ltd., a company in the service sector, is facing severe financial difficulties, and there is a growing concern among its creditors and shareholders about the company's viability. Explore the provisions of the Companies Act, 2013, regarding the parties eligible to make an application for the winding up of a company. Discuss the criteria and circumstances under which creditors, shareholders, or other parties can initiate the process of winding up by filing an application. Examine the role of the National Company Law Tribunal (NCLT) in adjudicating on such applications and the legal considerations involved in determining whether the company should be wound up. Analyze any potential challenges or disputes that may arise during this process and suggest strategies for the concerned parties to navigate the winding-up application in accordance with the Companies Act, 2013.

(CO5) [Application]