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**Presidency University**

**Bengaluru**

**SCHOOL OF MANAGEMENT**

**MAKE UP EXAMINATION – SEPTEMBER 2023**

**Date**:01.10.2023

**Time**: 9:30 AM – 12:30 PM

**Max Marks**: 100

**Weightage**: 50%

**Course Code**: MGT134

**Course Name**: Corporate Law

**Program & Sem**: B. B. A & III

**Instructions:**

1. *Read the question properly and answer accordingly.*

**Part A (Memory Recall Questions)**

**Answer all the Questions. (10Qx3M=30M)**

1. A registered company can exercise all functions of a company incorporated under the Companies Act. Sitara Musical Pvt Ltd has incorporated in the year 2021. The effect of registration of a Company is, the Company becomes \_\_\_\_\_\_\_\_\_\_\_\_\_ and has \_\_\_\_\_\_\_\_\_ succession. (C.O.No.1) [Knowledge]
2. Match the Following concepts with the relevant case. (C.O.No.1) [Knowledge]

|  |  |
| --- | --- |
| 1. Separate Legal Entity | 1. Daimler Co. Ltd Vs. Continental Tyre & Rubber Co. Ltd |
| 1. Determination of Character of a Company | 1. Sir Dinshaw Maneckjee Petit Case |
| 1. Protection of Revenue | 1. Salomon Vs. Salomon & Co |

1. Match the following by choosing which provision is suitable for alteration of clause in Memorandum. (C.O.No.2) [Knowledge]

|  |  |
| --- | --- |
| 1. Change of Company Name | 1. General resolution |
| 1. Change of Company’s capital clause | 1. Special resolution |
| 1. Change of Company’s liability clause | 1. Special resolution and approval of Central Government |

1. The name of a Company establishes its identity and is the symbol of its existence. A company may subject to the rules via avoiding of identical name to an existing company which is registered under any Company Act. Inadvertently, Make My Yatra Pvt Ltd has been registered with a name which is identical to an existing Company, the company wants to change its name and draft the Memorandum of Association Name clause by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. (C.O.No.2) [Knowledge]
2. Directors are responsible for controlling, managing and directing the affairs of a company. He /She plays multiple roles in the company. Hence, a director plays several roles in a company, as an agent, as an employee, as an officer and as a trustee of the company. Every Company need to have a \_\_\_\_\_\_\_\_\_\_\_ Director who stayed in India for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in the previous Calendar year. (C.O.No.3) [Knowledge]
3. Section 149(1) of the Companies Act, 2013 requires that a public company shall have a minimum number of \_\_\_\_\_\_\_\_ directors and Company can appoint maximum \_\_\_\_\_\_\_\_ directors. (C.O.No.3) [Knowledge]
4. True or False Statements: (C.O.No.4) [Knowledge]
5. A company shall hold its first Board meeting within thirty days of the date of incorporation.
6. A Company shall not hold more than 4 board meetings in a calendar year.
7. A Company shall hold Extra ordinary general meeting annual.
8. An annual general meeting, or annual shareholder meeting, is primarily held to allow shareholders to vote on both company issues and the selection of the company's board of directors. In large companies, this meeting is typically the time during the year when shareholders and executives interact. The gap between \_\_\_\_\_ consecutive Annual General Meetings should be within \_\_\_\_\_\_\_ months. (C.O.No.4) [Knowledge]
9. The liquidator is appointed to close the company in a professional manner, making sure a fair distribution of the company's assets takes place amongst creditors. The Company Liquidator is appointed by \_\_\_\_\_\_\_. (C.O.No.5) [Knowledge]
10. The National Company Law Tribunal B. The Registrar of Companies
11. The Directors of the Company D. Members only after 75% of member’s approval of such Company Liquidator
12. True or False Statements: (C.O.No.5) [Knowledge]
13. A Company that has not committed any default may initiate voluntary liquidation proceedings
14. A Company Liquidator need not submit declaration of conflict of interest after appointment
15. A Company Liquidator has the power to carry on the business of the company so far as may be necessary for the beneficial winding up of the company

**Part B [Thought Provoking Questions]**

**Answer all the Questions. (5Qx8M=40M)**

1. Nandu and his friends have received CIN for their private company in the year 2020. They are planning to manufacture electric motorbikes and trying for the patent. The company had not made any significant financial transaction after its commencement. Explain them the procedure and provisions of applying for dormant company’s status.

(C.O.No.1) [Comprehension]

1. The Memorandum of Association (MOA) defines the company's relationship with its shareholders. It is the most important document of a company as it states the objectives of the company. Outline the contents of memorandum of association.

(C.O.No.2) [Knowledge]

1. Monopoly Ltd is planning to appoint you as a Director. Summarize how you would apply for DIN. (C.O.No.3) [Comprehension]
2. Maxim Ltd is incorporated on 10th December 2021. Discuss the provisions relating to holding of Board meeting to the company. (C.O.No.3) [Comprehension]
3. Explain the appointment and removal of a Company Liquidator.

(C.O.No.5) [Comprehension]

**Part C [Problem Solving Questions]**

**Answer all the Questions. (2Qx15M=30M)**

1. Sintex Pvt Ltd was established in the year 1992. The Company was established as a plastic manufacturing company on a small scale with the vision to become an acknowledged first class Company and a leader in precision, Customer Service, with pre-eminent reputation for quality and performance. The company is considered a major player in the industry. In the recent past, higher costs, rising debt and sluggish demand have depleted cash and the company defaulted on debenture payments. Sintex was admitted into the bankruptcy process by the National Company Law Tribunal, Ahmedabad on April 6 this year on a plea by Invesco Asset Management over a Rs 15-crore default in payment of principal and interest of non-convertible bonds in September 2019. Discuss the Liquidation process if Company has made default in payment of debts.

(C.O.No.5) [Comprehension]

1. Paper Boat Pvt Ltd (paper manufacturing company) is incorporated in the year 2013. The Company has been making steady profits since its incorporation. With the outbreak of COVID-19 and in light of the quarantine, many companies switched to home offices which accelerated the trend toward going paperless. With online education, the demand of books by students also reduced. This situation resulted in huge losses of Dezine Paper Manufacturers. The Company is contemplating to go for voluntary winding up and it has vague idea of the procedure. Discuss how the company can apply for voluntary winding up.

(C.O.No.5) [Comprehension]