

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

Course: Corporate Law-II
Semester-VII (Batch: 2014-19)

Mid Semester Test: August-2017

Date: 21st August, 2017

Duration: 2 hours

Max. Marks: 30

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write anything on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.

- | | Marks |
|---|--------------|
| Q.1 Companies Act 2013 has introduced provision of 'Class Action' for the first time in India. Discuss the conditions under which the said remedy is available. | (10) |
| Q.2 A, B and C were directors and major shareholders of the company. A was also the Chairman of the said company. The company was interested in enhancing its business and hence its Board of Directors decided to increase the share capital. B and C were short of finance and did not have money to take up the additional shares. They feared A would consequently corner all the shares and become predominant in the company. A general body meeting was called and it was resolved by passing a special resolution, that the benefits from the prosperity of the company should be shared with others who are not members of the company apart from the present members.
A rushes to the tribunal complaining of oppression, specifying that B and C with the intention to throw him out from the chairmanship and directorship of the company have passed the special resolution.
Decide the complaint as a Member of the Tribunal. | (10) |
| Q.3 Discuss elaborately the rule in Foss v Harbottle. Explain the grounds which the judiciary has recognised as exception to the said rule. | (06) |
| Q.4 Check the correctness of the statement, correct if incorrect and justify.
Statement: Remedies against oppression or mismanagement are available only to the minorities. | (04) |
