GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR
Course: **CBL-I: Corporate Law**
Semester-I (Batch: 2013-14)

End Term LL.M. Examination: November-2013

Date: 18th November, 2013
Duration: 3 hours   Max. Marks: 70

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 any thing 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

Important Instructions:
I. Answer all the questions in compliance with the existing Companies Legislation.
II. Answer in the light of the new Companies Legislation, 2013 wherever it is exclusively mentioned.
III. Maximum Word limit: 1 mark: 50 words, 2-3 marks: 100 -150 words, 4- 5 marks: 250-300 words, 7-8marks: 400 words, 10 marks:500 words

Part-A

Q.1 Mr. Alok, Mrs. Alok, Mr. Chadha, Mr. Sambhog and Mrs. Ankoli are the five businessmen from Gandhinagar who want to incorporate a public limited company in the year 2014. The five members have agreed upon to incorporate the company with the following details: (6+4= 10)

- The paid- up capital of the company is 1000 Crores.
- The company's registered office will be situated at Baroda.
- All of them with the family members will subscribe the MOA.
- The suggested name of the company is BLAVIA Solars Gujarat.
- The are intending to distribute the solar energy by incorporating the said company.
- They are intending to start the other businesses like textile, sale and distribution of the imported electronic products etc.
- The company's liability will be limited by shares.

a) Being the corporate advocate, advise the above members, the steps for the incorporation of the company?
b) Draft the Memorandum of Association of the above company.

Part-B   (3x5= 15)
Answer any three of the questions. (from questions 2-5.)

Q.2 Discuss the applicability of doctrine of *Lifting of Corporate Veil* in the modern corporate law and practice keeping in mind the cardinal principle of the corporate personality ie,

separate legal entity.

Q.3   Critically analyse the procedural requirements for the public issue.

Q.4   Write a critical note on the power, function and jurisdiction of SEBI analysing the SEBI-SAHARA case.

Q.5   Analyzing the following points, write a critical note on Corporate Restructuring:
       (a) Legislative Framework
       (b) Procedural aspects
       (c) Case Laws

Part-C

Q.6   'Auditors role has been a major area of concern in most of the corporate failures across   (10)
       the globe. Fixing liability of auditors for their involvement in scams has been a complex
       issue. Governments have struggled to put in place a regulatory framework in making
       them accountable effectively. India has its own experience with liability of auditors.'
       Analyse the above-mentioned statement comparing US, UK and India.

Q.7   India has a long tradition of Corporate social responsibility. However, it has been a   (05)
       management discretion till now. India has attempted to regulate CSR through
       Companies Act, 2013. How far do you think that CSR is voluntary. Discuss its relevant
       provisions.

Part-D

Q.8   Write short notes on **any three** of the following in the light of FDI policy-2013, and the   (3x4=
       relevant FEMA provisions   12)
       (a) Capital Account Transaction and Current Account Transaction
       (b) Difference between FERA and FEMA
       (c) Reporting requirements to RBI for issue of shares, to the persons resident outside
           India (FEMA 20)
       (d) Downstream Investment

Q.9   Answer the following: (1+3+
       (a) What do you mean by FIPB?   3+3=
       (b) What is DIN and CIN?   10)
       (c) What is the difference between Horizontal Merger and Vertical Merger? Substantiate
           your answer with examples
       (d) Friendly Takeover and Hostile Takeover

Q.10   Write short notes on **any two** of the following: (2x4=
       (a) Doctrine of Ultra Vires   08)
       (b) Mergers and Acquisitions as per the new Companies Legislation,2013
       (c) Depository Act: An Overview

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