

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

Course: **Corporate Law**
Semester-I (Batch: 2015-16)

LL.M. End Semester Examination: Oct-Nov. 2015

Date: 6th November, 2015

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.

Part-A

Marks

- Q.1 The unified jurisdiction relating to company law and practice is the utmost requirement of the hour. Attempt has been made in the Companies Act, 2013 to unify the multiple jurisdiction. Do you agree with this? (10)

Elaborate your answer in the light of the 2002 amendment and with the analysis of the case R. Gandhi V Union of India.

- Q.2 Write an analytical note on Corporate Restructuring with the help of proper provisions of company law and decided cases. (10)

- Q.3 Write an analytical note on revival of sick industrial companies in the light of the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 analysing the following concepts: (10)
- Reference and Abatement of Reference
 - Procedure for the revival

OR

“Corporate personality” is a distinctive feature of a company comparing to the other business entities. A company is privileged to enjoy numerous rights like a natural person. In the light of the said statement, elaborate the features of a company. Write explanatory note on the followings:

- Company as a Citizen
- Company as a State

- Q.4 Write short note on **any one** of the following (05)
- (a) Winding up of the companies
 - (b) Incorporation of Company

Part-B

- Q.5 Our world is in crisis and "business as usual" is no longer acceptable. The global community has acknowledged in the Millennium Development Goals the pressing need to eradicate extreme poverty and hunger; achieve universal primary education and (10)

women's equality; reduce child mortality; and combat HIV/AIDS, malaria and other diseases by 2015. There is a call for action to individuals, institutions, governments, communities and *business entities* to work together for a more just and humane world.

Corporate social responsibility ('CSR') has had a renaissance. Whilst the concept of CSR has existed for some time, over the last two decades CSR has been one of the catchphrases of corporate governance, both internationally and in India. The suggested benefits of the adoption of CSR principles have included positive outcomes in diverse areas of human and corporate activity. The adoption of CSR by corporations is not just for the purpose of achieving a sentimental 'inner glow' about the company or its role and position in society. Therefore, many corporations are actively pursuing CSR-based policies in highly diverse areas.

In strong economies, institutional investors, regulators, Non-Governmental Organizations (NGOs) and civil society groups have generally responded by collaborating with the private sector to make self-regulation more enforceable and effective. However, most of the weak economies do not have an environment that enables different actors to influence the convergence of CSR and corporate attitudes. Moreover, their corporate laws have not yet delineated stakeholders' rights, limitations, and abilities concerning influencing corporate governance.

Analyse the Indian regulatory framework being enacted regarding CSR in the backdrop of the above-mentioned statement.

- Q.6 Accepting the position of director in a company in India has become a tough decision to take in the new legislative scheme. Its reasons are not far to seek. On the other side, it will be challenging for the companies to select right kind of persons on their Board of Directors. The manner in which such difficulties are sorted out will effectively determine the success or otherwise of Companies Act 2013. (10)

Analyse the provisions relating to the liabilities and responsibilities of directors in the light of the above-mentioned statement.

- Q.7 "My Lords, the learned judges appear to me not to have been absolutely certain in their own minds whether to treat the company as a real thing or not. If it was a real thing; if it had a legal existence, and if consequently the law attributed to it certain rights and liabilities in its constitution as a company, it appears to me to follow as a consequence that it is impossible to deny the validity of the transactions into which it has entered." (10)

The question whether the corporate veil should be lifted is highly vexed. Whether in UK or India, judicial pronouncements on the issue have varied depending upon the facts and circumstances of each case. Grounds of lifting of corporate veil are not laid down exhaustively adding to further complications.

Discuss the principles enunciated by the courts in India on the issue of lifting of corporate veil in the light of the above-mentioned statement.

- Q.8 Write short note on **any one** of the following: (05)
- (a) Not for profit company
 - (b) National Financial Reporting Authority (NAFRA)
