

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

Course: Corporate Law
Semester- I (Batch: 2024-25)

End Semester Examination: October 2024 (LL M)

Date: 25th Oct, 2024

Duration: 3 hours

Max. Marks: 50

Instructions:

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

Part: A**Marks**

- Q.1 M/s Delta Z Ltd (hereinafter referred as 'company') is a public company limited by shares. The registered office of the company is situated at Varanasi, Uttar Pradesh. There is a fire accident in the factory of the company M/s Delta Z Ltd. 5 workers were seriously injured in the fire accident. The workers have filed a writ petition in the High Court under Article 226 of the Constitution of India. They also have filed a complaint with the ministry of Labour and Employment, Government of India alleging the negligent approach of the company in controlling the fire accident. After an investigation by an expert committee, the ministry imposed a fine of INR 20 Lakhs on the company and directed the company to pay compensation of INR 5 Lakhs to each of the injured workers. The company has challenged the direction of the ministry in a writ petition under Article 32 of the Constitution for violation of Article 19 of the Constitution of India.
- a) Whether the writ petition filed by the company is maintainable?
b) Whether M/s Delta Z Ltd is a State?
- Q.2 M/s Zin Co Ltd was incorporated as a public company limited by shares in 1988 as per the provisions of the Companies Act, 1956. The State Bank of India has sanctioned a loan of INR 200 Crore to the company in 2010. The company was required to repay the loan on or before January, 2024. However, the company was not able to repay the debt by January, 2024.
- a) Whether SBI can file application to initiate CIRP?
b) Write the procedure of CIRP.
- Q.3 Write notes on the following (Any two)
- a) SPiCe + and AGILE -Pro-s
b) Winding up of company -The petitioner must be eligible to file the petition under appropriate circumstances
c) Information Utility

Part: B

- Q.4 The concept of prevention of oppression and mismanagement under the Companies Act, 2013 serves to protect minority shareholders and maintain corporate governance standards.

- a) Discuss the provisions relating to the prevention of oppression and mismanagement as per the Companies Act, 2013.
- b) Explain how the court or tribunal determines whether an act constitutes oppression or mismanagement. What key factors are considered?

- Q.5 Amit, a shareholder in XYZ Pvt. Ltd., passes away unexpectedly, holding 500 shares in the company. His legal heir, Meera, applies for the transmission of shares in her name. Meanwhile, another shareholder, Ravi, decides to transfer 300 of his shares to a third party, Shreya, but the company's board of directors refuses to register the transfer, citing a clause in the Articles of Association (AoA) that allows them discretionary powers. (5)

Analyze the legal provisions governing the transfer of shares. Can the board of directors lawfully refuse to register the transfer of shares to Shreya? What recourse does Ravi have in case of an unjust refusal?

Part: C

- Q.6 'India is a strong emerging force on the global map. Its growth is enabled by progress and development across sectors by public and private enterprises, and is built on the foundation laid down by the government and regulators that encourages transparency in business dealings, accountability and good governance. As India aspires to its rightful position as a global leader, the focus will be on Corporate India and on Indian markets. Corporate India has a key role in nation building and corporate governance is an integral part of the broader governance of the country.' (10)

Discuss the evolution of regulatory framework for auditors in India from the point of view of corporate governance.

- Q.7 Write a short note on independence of independent directors in India. (5)
