

**GUJARAT NATIONAL LAW UNIVERSITY  
GANDHINAGAR**

Course: **Corporate Law-I**  
Semester-VI (Batch: 2013-18)

**Mid Semester Test: Feb-Mar. 2016**



**Date: 3<sup>rd</sup> March, 2016**

**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.

**Q.1** Read the following fact and answer the questions.

**Marks**  
(5+1=  
06)

Mr. Stephano, a foreigner in India, Mrs. Stephano, Mr. Pulkesh, Mrs Pulkesh, Mr. Bhandari, Mrs. Bhandari, and Mr. Vargabh are the leading industrialists in India. They want to incorporate a public listed company limited by shares in the year 2016. They are willing to manufacture Wrist watches, Diver watches, Chronograph watches, Fashion watches etc. They are willing to locate the registered office of the company at Luck now. They have decided the amount of authorised share capital as 2,00,000 Crores INR. The company will have two kinds of shares i.e., Equity Shares and Preferential Shares. After the incorporation, the company may raise the fund from the public. The proposed name of the company is SPBV.

- (a) Draft the Memorandum of Association of the abovementioned company.
- (b) What is the differential approach in drafting the MOA of un limited company?

**Q.2** Read the following fact and answer the questions.

(4+2=  
06)

M/s DCQM Ltd. was incorporated in 2008 having it's registered office at Bangalore, as a private company for the purpose of exporting the handicraft products of India in different other countries. It was converted into a public company in 2010. Now it is a public listed company. The State Government of Karnataka wanted to invest in the said company and started investing and helping the company in various ways since 2011. Currently, 46% of the equity shares are being held by the State Government of Karnataka. The central Government had shown interest to invest in the company in 2014. Now the central Government holds 8% of equity shares in the company M/s DCQM Ltd. In the month of May, 2015 both the central Government and State Government of Karnataka decided to nominate one secretary from each, as the representative of Central Government and State Government of Karnataka to the Board of Director of the company. Both Central Government and State Government are showing interest in the business of the company. Due to some internal allegations, the company has dismissed Mr.X, an employee of the company without giving an opportunity to hear him.

Mr.X had filed a writ petition challenging the decision of dismissal against the company. The contention of the company is that the writ is not maintainable against the company.

- (a) Being the corporate advocate, advice Mr.X, whether the writ petition of Mr.X is maintainable or not? Explain the relevant legal principles with the support of cases.
- (b) Being the judge, decide the maintainability of the petition.

Q.3 Answer **any nine** questions of the following:

(9x2=  
18)

- (a) What is the difference between table A and Table B of the schedule I of the Companies Act, 2013?
- (b) What are the major changes in the Companies (Amendment) Act, 2013?
- (c) Write the different factors to be considered for deciding the name clause of a company?
- (d) Write any four features of a company.
- (e) Write the difference between Private and Public Company.
- (f) Explain Government Company. Is it different from Public Sector Undertaking?
- (g) Distinguish Foreign Company and MNC with examples.
- (h) 'One person Company is different from the sole proprietorship.' Do you agree with this? Explain the concept of OPC analysing the legal elements. Can the OPC go for public issue?
- (i) 'A company is a person not a citizen' OR 'A company is a citizen not a person'. Which statement is correct- Explain.
- (j) When can the corporate veil be lifted?

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