

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,

Vidyavihar, Mumbai- 400077

Program: PGDM (Executive) – II Trim (Batch2017-18)

Subject: Business Law

Date: 23rd March, 2018

Total Marks: 25

Time : 1 1/2 Hours

Instructions

- 1. Substantiate your answers with reasons.**
- 2. Question 1 carries 10 marks and Question 2 carries 15 marks**

1. Apex Ltd. had eight members at the time of incorporation. Within two months, two of the members transferred their shares to one of the existing members. By the end of the year, the company went into liquidation and the creditors sought to recover their dues from the shareholders.

a. State the minimum and maximum number of members that a company may have. Can the shareholders having fully paid up shares be held liable in this case?

b. What will be the consequences if number of members falls below the statutory minimum limit?

c. Which businesses have unlimited liability? Can we incorporate a company with unlimited liability in India?

2. Explain the following concepts through the cases: - (Attempt any 3)

- a. Company Management
- b. Impossibility of Performance
- c. Illegal Agreements
- d. Corporate Veil

-----End of Paper-----