

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

BACHELOR OF COMMERCE HONOURS DEGREE

COMPANY LAW II : CIN 2206

JULY 2004 SUPPLEMENTARY EXAMINATIONS

INSTRUCTIONS TO CANDIDATES

Answer all questions

1. It is too early to say whether the remedy for unfairly prejudicial conduct has produced a more realistic and practical remedy for an aggrieved minority shareholder than the complex and limited exceptions to the rule in *Foss v Harbottle*.

Discuss the statement. **[20 marks]**

 2. For a meeting to take place there must be a plurality of persons and the meeting must have a chairman.

Discuss. **[20 marks]**

 3. Whenever possible courts try to avoid the liquidation of a company – so what else might they do and why? **[20 marks]**

 4. a) There are no significant differences between an ordinary share, a preference share and a deferred share. Critically discuss this assertion. **[10 marks]**

b) Explain the nature of debentures and the law governing their issue by a company. **[10 marks]**

 5. There are several grounds on which a company can be wound up by the court. The effects of the courts power or discretion in winding up is profoundly reflected in the circumstances where it considers it JUST and EQUITABLE to do so. Explain. **[10 marks]**
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END OF EXAMINATION