

2023

(5th Semester)

COMMERCE

Paper No. : BC-504

(Company Law)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 45)

The figures in the margin indicate full marks for the questions

1. (a) Define a company. Explain in detail the characteristics of a company. 2+7=9

Or

(b) What is incorporation of a company? Explain the steps involved in incorporation of a company. 2+7=9

2. (a) What is memorandum of association? Explain its clauses. 3+6=9

Or

(b) What is prospectus? Explain the contents of prospectus. 3+6=9

3. (a) Distinguish between debentures and shares. Also highlight some characteristics of debentures. 6+3=9

Or

(b) What is a mortgage? Discuss different types of mortgages. 3+6=9

4. (a) Discuss different types of meetings of a company. 9

Or

(b) What do you mean by resolution? Elaborate on ordinary and special resolution. 3+3+3=9

5. (a) Discuss the circumstances in which a company may be wound up by tribunal. 9

Or

(b) What do you understand by mismanagement? What are the rules with regard to oppression and mismanagement? 2+7=9

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(e) The liability of the members of a company limited by guarantee, the

(5th Semester)

COMMERCE

Paper No. : BC-504

(Company Law)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

1. Put a Tick (✓) mark against the correct answer in the brackets provided : 1×10=10

(a) A statutory company or corporation is one which is incorporated

(i) by an Act of Parliament ()

(ii) by an Act of State Legislature ()

(iii) under the Companies Act, 2013 ()

(iv) by either (i) or (ii) ()

(b) In case of a company limited by guarantee, the liability of the members can be enforced

- (i) at any time when the company so decides ()
- (ii) only at the time of winding up of the company ()
- (iii) only by an order of court ()
- (iv) only by an order of registrar of companies ()

(c) The first stage in the formation of a company is

- (i) promotion of company ()
- (ii) registration and incorporation of company ()
- (iii) commencement of business ()
- (iv) None of the above ()

(d) The procedure for change of registered office from one city to another within the same State is by passing

- (i) ordinary resolution and approval of Company Law Board ()
- (ii) special resolution and approval of Central Government ()
- (iii) ordinary resolution only ()
- (iv) special resolution only ()

(e) The forms of Articles of Association are given in Tables F, G, H, I and J of _____ of the Companies Act, 2013.

- (i) Schedule-I ()
- (ii) Schedule-II ()
- (iii) Schedule-III ()
- (iv) Schedule-IV ()

(f) A prospectus is required to be issued to the public within

- (i) 30 days after the copy of prospectus is filed with the registrar ()
- (ii) 60 days after the copy of prospectus is filed with the registrar ()
- (iii) 90 days after the copy of prospectus is filed with the registrar ()
- (iv) 90 days after the copy of prospectus is filed with the Company Law Board ()

(g) At one time, a person can be appointed as a managing director of

- (i) two companies only ()
- (ii) three companies only ()
- (iii) any number of private companies ()
- (iv) any number of public companies ()

(h) Sweat equity shares are shares that are issued at a discount to

- (i) shareholders ()
- (ii) creditors ()
- (iii) employees or directors ()
- (iv) All of the above ()

(i) The rule of supremacy of majority provides that

- (i) the will of majority shareholders shall prevail over the minority ()
- (ii) the acts done by the majority can never be challenged by the minority on any ground ()
- (iii) the acts of the majority are considered supreme ()
- (iv) the majority can bind the minority by doing any act even if it is ultra vires the company ()

(j) On a winding up order being made, the company's property comes under the custody of

- (i) Central Government ()
- (ii) Tribunal ()
- (iii) Shareholders ()
- (iv) Liquidator ()

(5)

2. State whether the following statements are True (T) or False (F) by putting a Tick (✓) mark : 1×5=5

(a) A public company can be converted into a private company.

(T / F)

(b) An act ultra vires the company is wholly void and cannot be ratified in any case.

(T / F)

(c) A company can alter its articles of association by passing an ordinary resolution.

(T / F)

(d) Companies prescribed by the Central Government shall have at least one woman director.

(T / F)

(e) If a resolution is passed by $\frac{3}{4}$ th majority in a general meeting, it is known as ordinary resolution.

(T / F)

3. Write short notes on the following :

2×5=10

(a) Private company

(a) A public company can be converted into a private company.

(b) An act ultra vires the company is wholly void and cannot be ratified in any case.

(c) A company can alter its articles of association by passing an ordinary resolution.

(d) Companies prescribed by the Central Government shall have at least one woman director.

(e) If a resolution is passed by $\frac{3}{4}$ th majority in a general meeting, it is known as ordinary resolution.

(7)

(b) Whole-time director

00000000 (c)

3. W(c) Quorum

(a) Private company

((09)

(d) Minority rights

(e) Share capital

(10)

(e) Share capital

Minority rights (b)
