

Reg.No.: .....

Code No. 10178E

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B.Com., (CBCS) DEGREE EXAMINATION, APRIL 2021

THIRD SEMESTER

PROFESSIONAL ACCOUNTING - ALLIED

COMPANY LAW - I

(for those who joined in July 2017 onwards)

Time: Three hours

Maximum : 75 marks

PART - A (10X1=10 marks)

Answer all the Questions Choose the Correct answer

1. Which of the following is NOT a characteristic of a company?
  - a. Unlimited liability
  - b. Common seal
  - c. Separate property
  - d. Capacity to sue
2. The capital of the company is divided into parts, called \_\_\_\_\_.
  - a. Debentures
  - b. Shares
  - c. Loans
  - d. Capital
3. Chronologically, the first persons who control a company's affairs are its \_\_\_\_\_.
  - a. Managing Director
  - b. Promoters
  - c. Managers
  - d. Board of Directors
4. Which of the following is NOT a consequence of registration of company?
  - a. Becomes distinct legal entity
  - b. Acquires a perpetual succession
  - c. Property is not the property of shareholders
  - d. None of the above
5. The contents of Memorandum of Association is described under Section \_\_\_\_\_ of the Companies Act, 2013.
  - a. 3
  - b. 4
  - c. 12
  - d. 13
6. \_\_\_\_\_ is meant for internal management of the affairs of a company.
  - a. Memorandum of Association
  - b. Articles of Association
  - c. Doctrine of Ultra Vires
  - d. All of the above
7. \_\_\_\_\_ is a document issued by the company when it does not offer its securities for public subscription.
  - a. Prospectus
  - b. Statement in Lieu of Prospectus
  - c. Shelf Prospectus
  - d. Red herring Prospectus
8. \_\_\_\_\_ means the gain by unlawful means of property to which the person gaining is not legally entitled.
  - a. Wrongful gain
  - b. Wrongful loss
  - c. Fraud
  - d. All of the above
9. \_\_\_\_\_ can vote at the meeting even though not a member.
  - a. Body Corporate
  - b. President
  - c. Governor
  - d. All of the above
10. Which of the following is NOT a right of the members of a company?
  - a. Right to have shares
  - b. Right to appoint director
  - c. Right to appoint auditor
  - d. Right to appoint the promoter

**PART – B (5X5=25 marks)**

Answer all the Questions Choosing either (a) or (b) Answer should not exceed 250 words

11. (a) Define the term 'Company' and State the meaning of 'Subsidiary Company'.

OR

(b) Write a short note on: (i) Corporate Veil and (ii) Perpetual succession.

12. (a) Comment on "Promoters stand in a fiduciary relationship with the company they promote".

OR

(b) What are the documents to be filed with the Registrar of the Companies prior to incorporation?

13. (a) Brief on the contents of Articles of Association

OR

(b) Differentiate between Memorandum of Association and Articles of Association.

14. (a) When is a company not required to issue a prospectus? Brief.

OR

(b) What is a prospectus? How can be a prospectus misstated for public issue? Give an example.

15. (a) Who is called as members? How the member differs from shareholder?

OR

(b) Who can become as a member of a company? How?

**PART – C (5X8=40 marks)**

Answer all the Questions Choosing either (a) or (b) Answer should not exceed 600 words

16. (a) Explain the characteristics of a company.

OR

(b) Classify and explain the different kinds of companies.

17. (a) What are the role of Promoter in Commencement of Business? Explain.

OR

(b) Explain the process of formation of company.

18. (a) In what case, in what mode and to what extent can a company alter the contents of Articles of Association? Explain.

OR

(b) "The Memorandum of Association is the fundamental law or a charter defining the objects and limiting the powers of a company." Explain.

19. (a) Explain the extent of civil and criminal liability for the misstatements in Prospectus.

OR

(b) Enlist and explain the contents of a Prospectus.

20. (a) When does the liability of a member of a limited company become unlimited? Illustrate.

OR

(b) "Every shareholder of a company is also known as a members, while every member may not be known as a shareholder." Comment.

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