

## **VI SEMESTER BBA 351: COMPANY LAW QUESTION BANK**

### **UNIT I**

#### **TWO Marks Questions**

1. What do you mean by chartered company?
2. Write any two limitations of Joint Stock Companies.
3. What do you mean by perpetual succession?
4. What do you mean by Foreign Company?
5. What is an illegal Association?
6. What is a Government Company?
7. What do you mean by 43A public limited company?
8. What do you mean by a statutory company?
9. What was the decision given in the case Solomon v/s Solomon & company?
10. What do you mean by lifting the corporate veil?
11. What is meant by a company limited by guarantee?
12. What is a corporate veil?
13. When does a company legally come into existence?
14. What do you mean by licensed companies?
15. What is meant by holding company?

#### **EIGHT Marks Questions**

1. Narrate "Soloman vs. Soloman & Co.Ltd.", "case with reference to independent legal entity of a company.
2. When does a private company become a public company u/s.43-A?
3. Write a note on Government Company.
4. What is a foreign company? State the provisions of Companies Act relating to foreign company.
5. What is meant by corporate veil? State the cases in which the veil can be lifted.
6. What are privileges of a private company?

### **TWENTY Marks Questions**

1. Define “Joint Stock Company” and bring out its distinctive features.
2. Explain the corporate veil. Under what circumstances the corporate veil is lifted?
3. Distinguish between a public company and a private company. Point out the cases under which a private company shall become a public company.

### **UNIT II**

#### **TWO Marks Questions**

1. Name two public documents of a Company.
2. What do you mean by Preliminary Contract?
3. When can a public company start its business?
4. What do you mean by ‘Golden Rule’ for the framing of prospectus?
5. Give the meaning of pre-incorporation contract.
6. State the other name of situation clause.
7. Which clause of memorandum of association cannot be altered?
8. What do you mean by ‘Indoor Management’?
9. What do you mean by ultravires?
10. What is an Articles of Association?
11. Give the meaning of Doctrine of Constructive Notice.
12. What is meant by Intra-vires?
13. What do you mean by statement in lieu of prospectus?
14. What do you mean by ‘Table A’?
15. What do you mean by Preliminary Expenses?
16. Who is a Promoter?
17. What are the documents required for a public company to start business?
18. What do you mean by Deemed prospectus?

#### **EIGHT Marks Questions**

1. Write a short note on “Doctrine of Indoor Management”.
2. Distinguish between memorandum of association and articles of association.

3. Write a note on "Doctrine of Ultra-vires".
4. What are the duties and liabilities of a promoter?
5. Explain the steps followed in the promotion of a Joint stock Company.
6. What are the provisions of the Act regarding the issue of prospectus?
7. Narrate the legal position of a promoter in relation to the company he promotes.
8. Mention the formalities to be completed for the registration of a company.

### **TWENTY Marks Questions**

1. What is Memorandum of Association? Explain its contents./clauses
2. What is misstatement in a prospectus? Explain the extent of civil and criminal liability for such misstatements?
3. What do you mean by promotion of a company? Discuss the various stages in promotion of a public limited company. What are the liabilities of a promoter?
4. Write the liability for misstatements in a prospectus? Explain the extent of civil and criminal liability for such misstatements.
5. What are the consequences of misstatement in a prospectus? Can the directors avoid liability for a false statement in the prospectus?
6. Discuss the stages in the formation of a company.

### **UNIT III**

#### **TWO Marks Questions**

1. What is DEMAT account?
2. Who is a benami holder of shares?
3. What is meant by listing of shares?
4. What do you mean by Sweat Equity shares?
5. State the meaning of surrender of shares.
6. Define calls in Arrears.
7. What is meant by depository?
8. What do you mean by dematerialisation?

9. Define calls in advance.
10. Define calls on shares.
11. Expand NSDL.
12. What do you mean by underwriting of shares?
13. What are Bonus shares?
14. What do you mean by Renunciation of Allotment?
15. Give the meaning of 'Defacto Control'.
16. What do you mean by irregular allotment?
17. Which companies can issue deferred shares?
18. What do you mean by rights shares?
19. What do you mean by Index of Members? Which companies should maintain index of members?
20. What is foreign register?
21. What is meant by surrender of shares?
22. What is register of members??
23. What is meant by 'Forfeiture of share'?
24. What do you mean by cumulative preference shares?
25. What do you mean by 'Listing of Securities'?
26. What do you mean by 'Lien on Shares'?
- 27.. Who can become a member of a Company?
- 28 Can one company become a member of another company?
29. What do you mean by Blank Transfer?
30. Expand SEBI
31. What is meant by Minimum Subscription?
32. What do you mean by forged Transfer?

### **EIGHT Marks Questions**

1. Write a note on DEMAT Account..
2. State the circumstances when a person ceases to be the member of a company
3. Write a note on the Register of Members.
4. What are the different methods of acquisition of membership of a company?

### **TWENTY Marks Questions**

1. Give the meaning of Allotment of shares. Explain the general and special provisions regarding the allotment of shares.
2. Define membership in a company. Explain the different ways of acquiring membership in a company. When does a person cease to be a member of a company?
3. Define the share of a company. Explain the different kinds of shares that can be issued by a company

### **UNIT IV**

### **TWO Marks Questions**

1. Who are the first directors of the company?
2. Who can appoint a secretary of a company?
3. What kind of companies must have full time secretary?
4. Define Managing director.

### **EIGHT Marks Questions**

1. When is a person disqualified for appointment as director of a company?
2. Give the meaning of a company secretary. Mention the qualifications of a person to be eligible for appointment as secretary
3. What are the duties of directors of a company?
4. In what different ways may a director of a company be appointed?

### **TWENTY Marks Questions**

1. Define the term "Director" Briefly state the provisions of the Companies Act 1956 regarding the mode of appointment of the director of a company.
2. Define the term "Director" what qualifications are required for appointment as a director? When will a person be disqualified for appointment as a director?
3. Who is a director of the company? Explain the duties and liabilities of a director.

## **UNIT V**

### **TWO Marks Questions**

1. What is meant by Minutes of Meeting?
2. What is 'Quorum'? Must quorum be present throughout the meeting?
- 3.. What is a defunct company?
- 4 What do you mean by Resolution?
5. What is meant by motion?
6. What do you mean by winding up of a company?
7. Who is a Liquidator?
8. What do you mean by extraordinary general meeting?
9. What do you mean by 'Agenda of Meeting'?
10. Give the meaning of Quorum for meeting.
11. What is an ordinary resolution?
12. What do you mean by special resolution?
13. What do you understand by the term 'oppression' as used in section 397?
14. What is a statutory meeting?
15. What do you understand by a 'Proxy'?
16. What do you understand by class Meeting?
17. What do you mean by Adjournment of meeting?
18. Who shall call an extraordinary general meeting?
19. What is meant by Mis Management?

### **EIGHT Marks Questions**

1. Explain the procedure of voluntary winding up.
2. Give the meaning of statutory meeting and the contents of statutory report.
3. Bring out the requisites of a valid meeting.
4. Write a note on creditors voluntary winding up.
- 5 Write note on members voluntary winding up.
6. Write a note on "statutory meeting".
7. State the circumstances when court orders a compulsory winding up.

8. Explain the different types of resolution.

**TWENTY Marks Questions**

1. What are the different kinds of meetings of the shareholders of a company? When and how are these meetings held?
2. What do you mean by winding up of a company? What are the different modes of winding up?
3. Describe the types of Meetings. State the provisions regarding the conduct of Annual General Body meeting.
4. State the provisions of the companies Act of 1956 relating to the following: (a). Members' Voluntary winding up (b). Creditor's voluntary winding up
5. What is company meeting? Bring out the essentials of a valid company meeting.

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