Total number of printed pages–5

63/9 (SEM–5) LLB502

2024

LAW

Paper : LLB502

(Company Law)

Full Marks : 80

Pass Marks : 36

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answer : 1×10=10

   (i) The Joint Stock Companies Act, 1850 which was based on the English Companies Act, __________.
   (1844/ 1848/ 1850/ 1852)

   (ii) The Companies Act, 2013 came into force on ________.
   (29th July, 2013/29th August, 2013/ 29th September, 2013/29th October, 2013)

Contd.

(iii) The Doctrine of Indoor Management had its origin in a famous case of ______.
(Royal British Bank v. *Tarquand/ Kotla Venkataswamy* v. *Ramamurthy/ Lee* v. *Lee's Air Farming Ltd./ Foss* v. *Harbottle)*

(iv) Issue of Prospectus by a company is to be treated as an ______.
(offer/ invitation to offer/ acceptance/ proposal)

(v) Debenture is an acknowledgement of ______ by the company.
(debt/ credit/ loan/ share)

(vi) A ______ is a legal document and conclusive proof that a company is registered and ready to commence its business.
(Memorandum of Association/ Article of Association/ Certificate of Incorporation/ Company Policies)

(vii) There can be a maximum interval of ______ months between two Annual General Meetings. *(15/ 24/ 18/ 12)*

(viii) Transmission of shares can take place by act of ______.
(the parties/ operation of law/ agreement/ AOA)

(ix) Any person aggrieved by an order of NCLT may prefer an appeal to the appellate tribunal within a period of ________ days from the date of the order.

(45/60/75/90)

(x) The Section ________ deals with establishment of the National Financial Reporting Authority (NFRA) of the Companies Act, 2013.

(131/132/133/134)

2. Write short notes on : 2×5=10

(i) Write difference between Holding and Subsidary company.

(ii) Legal position of a promoter

(iii) Write difference between share certificate and share warrant.

(iv) Corporate Social Responsibility (CSR)

(v) Write the objectives of SEBI.

3. Define 'company'. Discuss the characteristics of company. Distinguish it from partnership. 2+5+5=12

Or

What is meant by Private Company ? Write differences between private company and public company. Explain how a private company can convert to a public company.
2+6+4=12

4. What do you mean by incorporation of a company ? Discuss the advantages and disadvantages of incorporation of a company.
4+8=12

Or

State the Doctrine of Constructive Notice and Indoor Management with leading case laws.
12

5. Define Prospectus. Write its main contents. Discuss the liabilities of inclusion of misstatement or untrue statement of prospectus.
3+3+6=12

Or

"Majority shareholders can do but minority shareholders can say." Discuss with leading case laws. 12

6. What is DIN ? What are the procedures for appointment and removal of Directors of a company ? Discuss the legal position of a Director of a company. 4+4+4=12

Or

Explain in detail the constitution, power and functions of the National Financial Reporting Authority (NFRA) as per Companies Act, 2013. 12

7. What is winding up ? What are the circumstances under which a company can be wound up ? Discuss. 4+8=12

Or

When and how the Serious Fraud Investigation Office to constitute ? Discuss its power and functions as per Companies Act, 2013. 6+6=12

Total number of printed pages - 4

63/9 (SEM-5) LLB502

2025

LAW

Paper Code : LLB502

(Company Law)

Full Marks : 80

Pass Marks : 36

Time : 3 hours

The figures in the margin indicate full marks for the questions

1. Choose the correct answer : 1x10=10

(i) Which of the following section of company act 2013 define the definition of "share "?

a) Section 2(85) b) Section 2(84)

c) Section 2(19) d) Section 2(17)

(ii) ___________ is the conclusive proof that a company is registered and is ready to commence its business.

a) Memorandum of association

b) Article of association

c) Certificate of incorporation

d) Corporate identity number

(iii) Memorandum of association is considered as constitution of a company and articles of association is ____________.

a) Internal regulation and bye laws

b) Second document which is to be registered along with MOA

c) Contains management of the company

d) All of the above

(iv) A public company as per Sec 2 (71) of companies Act, 2013 shall have a minimum paid up capital of ________.

a) Rs 1 lakh

b) Rs 5 lakhs

c) Rs 25 lakhs

d) Rs 50 lakhs

(v) Promoter is defined under Sec ________ of Companies Act, 2013.

a) 2(59)

b) 2(69)

c) 2(79)

d) 2(89)

(vi) __________ is a document given by company as evidence of a debt to the holder.

a) Share

b) Securities

c) Dividends

d) Debenture

(vii) A company proposing to make an offer of securities may issue a _____ prior to the issue of a prospectus.

a) Shelf prospectus

b) Red herring prospectus

c) Abridged prospectus

d) Deemed prospectus

Contd.

(viii) Every listed public company is to have at least _______ of the total number of directors as independent directors.

a) Half
b) One fourth
c) One third
d) Two third

(ix) The first annual general meeting in a company must be held within_______ months after closing of its first financial year of incorporation.

a) 12 months
b) 9 months
c) 6 months
d) 3 months

(x) To pass a special resolution not less than _______ of the members should vote.

a) 51 %
b) One fourth
c) Three fourth
d) Two third

2. Write short notes on: 2x5=10

(a) Private company.

(b) Doctrine of constructive notice.

(c) Liabilities for misrepresentation in a prospectus.

(d) Corporate social responsibility.

(e) Extraordinary general meeting.

3. Define company. Discuss the advantages and disadvantages of incorporation of a company. 2+10=12

Or

Analyse the historical evolution of company in India. Discuss the different types of company. 4+8=12

 (Turn Over)

4. Is registration of company mandatory? Discuss the necessary steps involved in incorporation and registration of a company. 2+10=12

Or

Briefly explain the fundamental clauses and contents of memorandum of association. What are the consequences for the act of ultra vires to the object clause of MO A? Support your answer with a help of case laws. 6+6=12

5. Briefly explain allotment of share. Examine the general principles and statutory restrictions for the allotment of shares. 4+8=12

Or

Explain the rule laid down in case of Foss v. Harbottle. How statutory provisions for the prevention of oppression and mismanagement provide exceptions to this rule to protect minority shareholders. 6+6=12

6. How are directors appointed in a company? Discuss the powers, functions and duties of a director? 6+6 = 12

Or

What are the requirements for appointment of an auditor in a company? What is the role of national financing reporting authority (NFRA) in functioning of an audit system in a company? 6+6 = 12

7. What is winding up? What are the various modes of winding up of a company? Discuss the consequences of winding up of a company. 2+6+4

Or

Write note on-

a) Security Exchange Board of India. 6

b) National Company Law Tribunal. 6