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( 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) What is a joint-stock company? Discuss the features of a joint-stock company.

2+7=9

Or

- (b) What is incorporation of a company? Explain the steps involved in incorporation.

2+7=9

2. (a) What do you mean by the Articles of Association? Write its contents, rules and regulations. 3+6=9

Or

- (b) Explain various types of preference shares. 9

3. (a) Write a note on ultra vires borrowings. 9

Or

- (b) What is a floating charge? Explain the effects of non-registration of charge. 2+7=9

4. (a) Who can be a director of a company? Explain his qualifications and dis-qualifications. 2+7=9

Or

- (b) What is Annual General Meeting? Explain the provisions regarding calling and holding of such meeting. 2+7=9

5. (a) Explain the rule of supremacy of the majority of shareholders with all its exceptions. 9

Or

- (b) What is winding up of a company? Explain in brief the modes of winding up. 3+6=9

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2017

( 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*

## SECTION—I

( Marks : 15 )

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

(a) Preference shareholders do not hold voting rights.

( T / F )

(b) A company can purchase own debentures from the open market.

( T / F )

(c) The proxies have restricted rights and counted for quorum.

( T / F )

(d) At the end of winding up, the company retained assets and liabilities.

( T / F )

(e) Promoter has right to receive preliminary expenses.

( T / F )

2. Fill in the blanks :

1×5=5

(a) A chartered company is an association formed by .....

(b) When the ownership of rights of a member is violated is called .....

(c) A debenture is a part of .....  
..... of the company.

- (d) The rules of .....  
are also called the bylaws.
- (e) ..... meeting is the  
first meeting of the shareholders of a public  
company.

3. Tick (✓) the correct answer in the brackets provided :

1×5=5

(a) Statement in lieu of prospectus is

- (i) meant for public at large ( )
- (ii) meant only for filing with the  
registrar ( )
- (iii) meant not for filing with the  
registrar ( )
- (iv) normally prepared by big companies ( )

(b) Earning capacity method of valuation of shares is

- (i) value per share = (expected rate of dividend /  
normal rate of return) × 100 ( )
- (ii) value per share = capitalized value / no. of  
shares ( )
- (iii) value per share = (net assets - preference  
share capital) / no. of equity shares ( )
- (iv) value per share = rate of dividend /  
capitalized value ( )

(c) The Companies Act defines director(s) under

- (i) Section 2(13) ( )
- (ii) Section 2(15) ( )
- (iii) Section 3(1) ( )
- (iv) Section 12 ( )

(d) Managing director is consider as

- (i) an agent of the shareholders of the company ( )
- (ii) an agent of the board of directors ( )
- (iii) an agent of the whole time directors ( )
- (iv) Both (i) and (ii) ( )

(e) Winding up of a company is done by the court on which ground?

- (i) Default in delivering the statutory report ( )
- (ii) No. of members reduced below minimum ( )
- (iii) Shareholders voluntarily winding up ( )
- (iv) Both (i) and (ii) ( )

SECTION—II

( Marks : 10 )

4. Write short notes on the following :

2×5=10

(a) Corporate personality

(b) Transmission of share



(c) Creditors voluntarily winding up

(d) Whole time directors

(e) Extraordinary general meeting

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