



# SAIVABHANUKSHATRIYA COLLEGE

(AruppukottaiNadargalUravinmuraiPothuAbiViruthiTrustukuPathiyapattathu)

## ARUPPUKOTTAI

### DEPARTMENT OF CHEMISTRY

### QUESTION BANK

Name of the Department :	commerce	UG / PG :	UG
Semester (UG - III & V; PG - III) :	UG-III	Subject Code :	CCRJC32
Name of the Subject :	Fundamentals of Company Law		

#### **Section A (Multiple Choice Questions)**

##### **Unit I: (Introduction to company)**

1. Company Act was enacted in the year  
(a) 1950 (b) 1956 (c) 1961 (d) 1963
2. Company is having  
(a) Limited liability (b) Common seal (c) Voluntary association (d) all these
3. The term company is defined under which sec of the Act?  
(a) Sec 3(1) (b) Sec 4(2) (c) Sec 2(4) (d) Sec 1(3)
4. How many members should sign the MOA in case of public company?  
(a) 1 (b) 3 (c) 5 (d) 7
5. Partnership Act was enacted in the year  
(a) 1930 (b) 1931 (c) 1932 (d) 1933

##### **Unit II: (Formation of a company)**

6. A company can change its name by passing \_\_\_\_\_  
(a) Ordinary revaluation (b) Special revaluation (c) Both A & B (d) None
7. The right of company member is  
(a) Statutory right (b) Documentary right (c) Legal right (d) All these
8. A private limited company commences business  
(a) at any time (b) after obtaining the certificate of incorporation  
(c) after obtaining the certificate to commence business (d) None of the above
9. The first directors are usually name in the \_\_\_\_\_  
(a) Articles (b) memorandum (c) Prospects (d) None
10. What is the liability of an expert for misstatement?  
(a) Fine 50,000 (b) Imprison 2 years (c) Both A& B (d) None

##### **Unit III: (Memorandum of Association)**

11. Which affairs are dealt with by memorandum of association?  
(a) Internal affairs (b) External affairs (c) Government matters (d) A & B
12. How many day in the stipulation for alteration of register of member?  
(a) 10 (b) 14 (c) 21 (d) 30  
(a) Answer (b) Answer (c) Answer (d) Answer
13. The memorandum of a company is dealt under which section  
a. (a) Sec 2(45) (b) Sec 2(35) (c) Sec 2(55) (d) Sec 2 (56)
14. The articles of association establish the relationship between the company with the  
b. (a) Outside world (b) Members (c) Employees (d) Lenders
15. Which documents contains the constitution of a company?  
(a) Memorandum of Association (b) Articles of Association (c) Prospects (d) Meeting

##### **Unit IV:(Prospects)**

16. Definition of prospects was given which sec  
(a) 2 (30) (b) 2 (32) (c) 2(34) (d) 2(36)
17. Information memorandum plus shelf prospects together constitutes  
(a) Memorandum (b) Articles (c) Prospects (d) None of the above
18. \_\_\_\_\_are the prospects issued instead of full prospects



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- (a) Abridged (b) Statement in lieu (c) Shelf (d) Red herring
19. Which section deal with voting rights of shareholder?  
(a) 85-86 (b) 87-89 (c) 90-92 (d) 92-94
20. \_\_\_\_\_ is a record of the individuals who company and the details of the shares they hold  
(a) Register of member (b) Register of stakeholders (c) Index of members (d) all of the above

#### Unit V: (Meeting of the company )

21. The meeting proposed to be conducted is  
(a) Minutes (b) Agenda (c) Motion (d) Resolution
22. Meeting only for preference shareholders or debenture holders  
(a) Class meeting (b) Statutory meeting (c) Annual general meeting (d) Extra ordinary meeting
23. What is the time limit for conducting statutory meeting ?  
(a) 1 to 5 months (b) 1 to 6 months (c) 1 to 9 months (d) None
24. The quorum for public company is  
(a) 2 (b) 3 (c) 5 (d) 7
25. The maximum gap between one annual general meeting and another is  
(a) 12 months (b) 13 months (c) 14 months (d) 15 months

#### Section B (7 mark Questions)

##### Unit I: (Introduction to company)

26. What do you mean by company? What are its characteristics?
27. Distinguish between company and partnership
28. State the different types of companies
29. Given any 8 points of distinction between a private company and public company
30. Explain the Administration of a company law

##### Unit II: (Formation of company)

31. What are promoters? What are their functions?
32. Describe the legal position of a promoter?
33. What are the duties of a promoter? Discuss them briefly
34. What are the documents to be filled with the registrar while forming a company?
35. What is certificate of incorporation? Describe the effects

##### Unit III: (Memorandum of association)

36. What is memorandum of association? State its purposes?
37. Briefly explain the contents of memorandum
38. Briefly describe the alteration of the objects clause in the memorandum of associations
39. Distinguish between memorandum of association and articles of association
40. Briefly describe the legal effects of the memorandum and articles

##### Unit IV: (Prospects)

41. State the objects of issuing a prospects
42. Discuss about the criminal liability in case of mis-statements in prospects
43. What is underwriting agreements? What are its types?
44. Explain the deemed prospects
45. Discuss the process of dematerialization of securities

##### Unit V: (Meeting of company)

46. What is necessity of giving notice for the meeting?
47. What are the provisions relating to proxy?
48. What are minutes of a meeting ? State its objects.
49. What is a notice? What are the requisites of a valid notice?



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50. Explain the Agenda

#### **Section C (10 mark Questions)**

##### **Unit I: (Introduction to company )**

51. What are the advantages of an incorporated company compared to partnership firms and unincorporated companies?
52. Explain in brief the legal provisions as to various kinds of companies which can be registered under the act,2013

##### **Unit II: (Formation of company)**

53. Explain the promoters duties, functions and legal position
54. Discuss the various stages in the formation a company

##### **Unit III: (Memorandum of association)**

55. What is memorandum of association ? describe its contents and importance of objects clause
56. Explain the power of altering the articles

##### **Unit IV: (Prospects )**

57. Explain the legal provisions relating to issue and registration of a prospects
58. Briefly Explain the conditions for a prospects

##### **Unit V: (Meeting of a company)**

59. Discuss the powers and duties of chairman
60. Explain the law relating to quorum for general meeting