



*Chambal*

**Avinashilingam Institute for Home Science and Higher Education for Women**  
Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)  
Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, Category I by UGC  
Coimbatore - 641 043, Tamil Nadu, India  
**Bachelor's Degree Examination – May 2025**  
**IV Semester**

**Class : II UG**  
**Major : B.Com/B.Com CA/B.Com PA**

**Time: 3 Hours**  
**Max. Marks: 100**

**23BCOC09 / 23BCCC09 / 23BCPC09 Corporate Law and Practice**

**Course Outcomes:**

- CO1: Acquire knowledge on provisions relating to issue of prospectus on allotment of shares  
CO2: Synthesize company processes, meetings and decisions  
CO3: Ability to understand Accounting, Auditing, Dividend, and Distribution.  
CO4: Able to demonstrate the role of Board of Directors and other managerial personnel  
CO5: Gain knowledge in regulatory aspects involved in Oppression, Mismanagement, Corporate Restructuring and Winding Up.

**Part A**

**10 x 1 = 10**

**Choose the Correct Answer**

1. Under the Companies Act, 1956, a private company \_\_\_\_\_ CO1K1
  - a. Must have at least 7 members
  - b. Cannot have more than 20 members
  - c. Must prohibit any invitation to the public to subscribe for its shares
  - d. Must issue a prospectus or statement in lieu of prospectus.
2. Share capital of a company means \_\_\_\_\_ CO1K1
  - a. Equity share capital
  - b. Preference share capital
  - c. Equity and Preference share capital
  - d. Equity and preference share capital and debentures.
3. Which is called for transacting some urgent or special business which cannot be postponed till the next annual general meeting ? CO2K2
  - a. Statutory Meeting
  - b. Annual General Meeting
  - c. Extraordinary General Meeting
  - d. Board Meeting
4. A Resolution is a \_\_\_\_\_, if it is passed by a majority of 3/4<sup>th</sup> of the members voting by a show of hands or on a poll either in person or by proxy. CO2K2
  - a. Ordinary Resolution
  - b. Resolutions requiring special notice
  - c. Special Resolution
  - d. None of these
5. Who determines the rate of dividend to be declared and recommends it to the meetings of shareholders ? CO3K2
  - a. The Board of Directors
  - b. Managing Director
  - c. Promoter
  - d. Secretary
6. The first auditors of a company may be appointed \_\_\_\_\_ CO3K2
  - a. At the Statutory Meeting
  - b. By the Board of Directors within one month of incorporation
  - c. By the Central Government on the application of the company
  - d. By the Promoters
7. The remuneration of a managing director cannot exceed \_\_\_\_\_ CO4K3
  - a. 1 percent of the net profit
  - b. 5 percent of the net profit
  - c. 10 percent of the net profit
  - d. Rs. 50,000
8. The first directors are appointed and at every subsequent annual general meeting, \_\_\_\_\_ of the directors liable to retire by rotation shall retire from office. (Sec. 256 (1)) CO4K3
  - a. 1/2
  - b. 1/4
  - c. 1/5
  - d. 1/3
9. A petition to the Court for Winding up a company cannot be made by \_\_\_\_\_ CO5K2
  - a. Employees of the company
  - b. Any shareholder of the company
  - c. Any creditor
  - d. The Registrar of Companies.
10. Generally, any conduct that deviates from the company's goals or is detrimental to the public interest can be deemed as \_\_\_\_\_ CO5K2
  - a. Oppression
  - b. Mismanagement
  - c. Doctrine of Indoor Management
  - d. Dissolution

**Part B**

**5 x 6 = 30**

**Answer ALL questions**

**Each answer should not exceed 400 words or two pages**

11. a. Can a company buy its own shares? If so, under what circumstances ? CO1K1  
(or)  
11. b. Give the important contents in prospectus. CO1K1
12. a. Why is extraordinary general meeting called ? CO2K3  
(or)  
12. b. Write specimen minutes of an Annual General Meeting of a Company. CO2K3
13. a. Briefly state the legal provisions regarding payment of dividend. CO3K2  
(or)  
13. b. What are the important statutory books to be maintained by the company ? CO3K2
14. a. What are the duties of directors? CO4K3  
(or)  
14. b. Explain the provisions of the companies Act regarding Manager. CO4K3
15. a. What do you understand about oppression and mismanagement under Companies Act? CO5K3  
(or)  
15. b. How was Appellate Tribunal constituted? CO5K3

**Part C**

**5 x 12 = 60**

**Answer ALL questions**

**Each answer should not exceed 800 words or four pages**

16. a. Briefly discuss about various kinds of companies. CO1K2  
(or)  
16. b. What are the reasons for alteration of share capital ? CO1K2
17. a. What are the objectives of Annual General Meeting? Explain the secretarial work relating to Annual General Meeting. CO2K1  
(or)  
17. b. Explain the kinds of resolution. When is special resolution required? CO2K1
18. a. State the provisions of the Companies Act, 1956 relating to the qualification, disqualification, and appointment of an auditor. CO3K3  
(or)  
18. b. Write a brief note on rights, powers and duties of an auditor. CO3K3
19. a. Briefly state the provisions of the Companies Act, 1956 regarding the mode of appointment of the directors of company. CO4K3  
(or)  
19. b. Explain qualifications, disqualifications and removal of directors. CO4K3
20. a. What do you understand by the winding up of a company? What are the different modes of winding up? Explain. CO5K3  
(OR)  
20. b. Describe about constitution of National Company Law Tribunal. Also explain the powers of Tribunal. CO5K3