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(To be filled in the
OMR Sheet)

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

45102917

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series
C

BBA (Third Semester) Examination, February/March-2022

BBA-306(N)

Company Law

(for Regular, Ex & B.P Students)

Time : 1:30 Hours

Maximum Marks-100

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- निर्देश : -
1. परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही- सही भरें, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 2. इस प्रश्नपुस्तिका में 100 प्रश्न हैं, जिनमें से केवल 75 प्रश्नों के उत्तर परीक्षार्थियों द्वारा दिये जाने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा निर्धारित प्रश्नों से अधिक प्रश्नों के उत्तर दिये जाते हैं तो उसके द्वारा हल किये गये प्रथमतः यथा निर्दिष्ट प्रश्नोत्तरों का ही मूल्यांकन किया जायेगा।
 3. प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 4. सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 5. ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 6. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी प्रश्नपुस्तिका बुकलेट एवं ओ०एम०आर० शीट पृथक-पृथक उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 7. निगेटिव मार्किंग नहीं है।

महत्वपूर्ण : - प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

Rough Work / रफ कार्य

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1. meeting is the first meeting of the members of the public company after its incorporation.
(A) Board
(B) Annual general
(C) Departmental
(D) Statutory
2. liability is imposed on the directors if they manipulate or falsify the accounts of the company.
(A) Civil
(B) Criminal
(C) Statutory
(D) None
3. The procedure to write facts about a resolution and its decision is called _____.
(A) Explanatory statement
(B) Statutory report
(C) Minutes of narration
(D) None
4. Table..... is for memorandum of association of an unlimited company.
(A) B
(B) C
(C) D
(D) E
5. The most important clause in the Memorandum of Association of a company is:
(A) Name clause.
(B) Registered office clause.
(C) Objects clause
(D) Liability clause
6. The 'Golden Rule' for framing of a prospectus was laid down in the case of:
(A) Royal British Bank.
(B) Rex Vs Kysant.
(C) New Brunswick & Canada Rly. & Land Co. Vs Muggeridge.
(D) Derry Vs Peek.

7. 'Shelf prospectus' means a prospectus issued by:
- (A) Any trading company.
 - (B) Any industrial company.
 - (C) Any financial institution or banks
 - (D) Any existing company whose shares are listed on recognized stock exchange
8. Memorandum of Association does not include:
- (A) Subscription Clause.
 - (B) Capital Clause.
 - (C) Liability Clause.
 - (D) Assets Clause.
9. The alteration of the Memorandum has to be certified by the Registrar:
- (A) Within 45 days.
 - (B) Within 15 days.
 - (C) At his own time provided the company satisfies his queries in this respect.
 - (D) Within 30 days.
10. List A of contributories contains..... members of the company.
- (A) Existing
 - (B) Past
 - (C) Future
 - (D) Ex-officio
11. The order of dissolution can be issued only by the.....
- (A) Liquidator
 - (B) Solicitor
 - (C) Contributory
 - (D) Tribunal
12. carries out the winding up proceedings.
- (A) Liquidator
 - (B) Solicitor
 - (C) Contributory
 - (D) Tribunal
13. Which of the following are known as Board Committees:
- (A) Audit Committee
 - (B) Remuneration Committee
 - (C) Nomination Committee
 - (D) All of these

14. On dissolution the name of the company is struck off from the of the company.
- (A) Schedule
 - (B) Charter
 - (C) Register
 - (D) None
15. The maxim "delegates nonpotest delegare" states the:
- (A) Duty to delegate to a director.
 - (B) Duty not to delegate their duties.
 - (C) Duty of a subordinate not to protest when duty has been delegated to him.
 - (D) None of above
16. Any information or knowledge generated by the company:
- (A) Is the property of the company and known as intellectual property.
 - (B) Cannot be used by any director for personal gains.
 - (C) If used for personal gains by any director must be accounted for to the company.
 - (D) All the above
17. When there is a deadlock between the directors:
- (A) The Central Government can intervene and ask the directors to cooperate with each other.
 - (B) The company Law Tribunal has necessarily to intervene.
 - (C) Shareholders may intervene to take necessary steps to ensure the working of the company.
 - (D) Directors must forget about personnel issues and work for greater good.

18. Sec.291 of the Company Act 1956, has clarified that:
- (A) The directors are subordinate to the overall majority of the shareholders.
 - (B) The Board of directors shall exercise all such powers and do all such acts as the company is authorized to exercise or to do subject to the restrictions contained in the Act, memorandum and articles.
 - (C) The shareholders cannot interfere with the conduct of management in any way.
 - (D) All the above
19. Where a director acts dishonestly to the interest of the company, he will be held liable for?
- (A) Ultra vires acts.
 - (B) Negligence.
 - (C) Breach of fiduciary duty.
 - (D) Mala fide acts.
20. Which of the following is the feature of a registered company:
- (A) Separate property
 - (B) Perpetual succession
 - (C) Common seal
 - (D) All of these
21. is the proper authority to call annual general meeting.
- (A) Promoters
 - (B) Manager
 - (C) Board of directors
 - (D) Secretary
22. The statutory meetings are required to be held by..... companies.
- (A) Private
 - (B) Public
 - (C) Both
 - (D) None

23. The minutes of the share holder's meeting are to be kept at the office of the company and must be open to inspection.
- (A) Registered
 - (B) Divisional
 - (C) Head
 - (D) None
24. A public company can be called as a body corporate after it:
- (A) Receives certificate of commencement of business.
 - (B) Issues prospectus.
 - (C) Receives certificate of incorporation.
 - (D) Receives approval from the registrar for the proposed name of the company.
25. A company comes into legal existence as a person on:
- (A) Approval by Company Law Tribunal to commence business.
 - (B) Approval by Central Government as being a bonafide company.
 - (C) Acceptance of legal documents by the registrar for its incorporation.
 - (D) Issue of certificate of incorporation by the Registrar of companies.
26. The 'common seal' of the company should have:
- (A) The company's name.
 - (B) The words 'corporate seal'.
 - (C) The place of the company.
 - (D) All the above
27. A company is called an artificial person because:
- (A) It does not have the shape of a normal man
 - (B) It cannot be sued in the court of law.
 - (C) It is invisible and intangible
 - (D) It exists only in contemplation of law.

28. Audit Committee shall meet at least..... times a year.
- (A) 5
 - (B) 2
 - (C) 4
 - (D) 3
29. The Whistle Blower Policy was recommended by_____.
- (A) N. R. Narayana Moorthy
 - (B) Anil Ambani
 - (C) Chris Gopalakrishnan
 - (D) Asim Premji
30. East India Company is an example of:
- (A) Statutory Company
 - (B) Registered Company
 - (C) Chartered Company
 - (D) None of these
31. The first Chairman is generally:
- (A) Elected by the Board of directors.
 - (B) Elected by the members
 - (C) Named in the Article
 - (D) Named in the Memorandum
32. Voting in a company Meeting can be through:
- (A) Ballot
 - (B) Raising hands
 - (C) Raising voice
 - (D) All of these

33. Who among the following has no right to speak at the AGM?
- (A) Chairman of the company.
 - (B) Whole time director of the company.
 - (C) Proxy holders.
 - (D) None of the above, as everybody has the right to speak at the AGM.
34. An ordinary resolution at a general meeting of the shareholders is sufficient for:
- (A) Reduction of share capital.
 - (B) Issue of shares at a discount.
 - (C) Creation of reserve capital
 - (D) All the above
35. Article of Association can be altered by:
- (A) A resolution of Board of Directors.
 - (B) An ordinary resolution in Annual General Meeting by the shareholders.
 - (C) A special Resolution.
 - (D) Obtaining permission of the Company Law Tribunal.
36. Change of registered office of a company from one place to another in the same city requires:
- (A) Board resolution.
 - (B) Special resolution.
 - (C) Ordinary resolution.
 - (D) Special resolution with Central government approval.
37. An Article constitutes a contract between:
- (A) The company and its members.
 - (B) The members and outsiders.
 - (C) The company and the outsider.
 - (D) All the above.

38. Executive Directors are those directors who:
- (A) Are men from outside the Board.
 - (B) Occupy management position.
 - (C) Are independent directors
 - (D) Elect the board committee
39. The Statutory Auditors of the company are appointed by:
- (A) Shareholders in Annual General Meeting
 - (B) Board of Directors
 - (C) Company Law Board
 - (D) Central Government
40. Liability of a member in case of a private company is:
- (A) Limited
 - (B) Unlimited
 - (C) Both (A) or (B)
 - (D) None of the above
41. Age limit of Directors in case of public company is_____.
- (A) 65
 - (B) 70
 - (C) 75
 - (D) 80
42. The_____ defines a company's relation to outside world:
- (A) Prospectus
 - (B) Memorandum of Association
 - (C) Articles of association
 - (D) Statement in lieu of prospectus

43. What is known as a charter of a company?
- (A) Memorandum of association
 - (B) Bye laws
 - (C) Articles of association
 - (D) Prospectus
44. A certified copy of the order of the Tribunal under section 24(1) shall be filed by the company with the Registrar within:
- (A) Thirty days of the order of the Tribunal
 - (B) Sixty days of the order of the Tribunal
 - (C) Ninety days of the order of the Tribunal
 - (D) None of the above
45. The Central Government, if it is of the opinion that the affairs of the company are being conducted in a manner prejudicial to public interest, it may:
- (A) Apply itself to the Company Law Tribunal for an order under chapter XVI
 - (B) Cannot apply itself to the Company Law Tribunal for an order under chapter XVI
 - (C) The central government cannot in any case apply before the tribunal
 - (D) None of the above
46. According to section 174, the quorum for a meeting of the Board of Directors of a company shall be:
- (A) One-third of its total strength or two directors, whichever is higher
 - (B) One-half of its total strength or two directors, whichever is higher
 - (C) One-third of its total strength or two directors, whichever is less
 - (D) None of the above

47. CIN stands for:
- (A) Corporate Identification Number
 - (B) Company Identification Number
 - (C) Chartered Identification Number
 - (D) None of the above
48. Companies are now allotted a _____ in addition to their name?
- (A) PAN
 - (B) SIN
 - (C) PIN
 - (D) CIN
49. "Related party", with reference to a company, means-
- (A) A director or his relative
 - (B) Key managerial personnel or his relative
 - (C) A private company in which a director or manager or his relative is a member or director
 - (D) All of the above
50. "Promoter" means person:
- (A) Who has been named as such in a prospectus-
 - (B) Who has control over the affairs of the company, directly or indirectly whether as a shareholder, director or otherwise;
 - (C) In accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act
 - (D) All of the above

51. "Memorandum" means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act, is given under section:
- (A) 2(55)
 - (B) 2(56)
 - (C) 2(3)
 - (D) None of the above
52. A person may become a shareholder in a company by:
- (A) Subscribing to memorandum of association
 - (B) By allotment
 - (C) By nomination
 - (D) Only (A) and (B)
53. Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository is called:
- (A) Director of the company
 - (B) Customer
 - (C) Member
 - (D) None of the above
54. 'Member in relation to a company' is defined under section:
- (A) 2(55)
 - (B) 2(65)
 - (C) 2(30)
 - (D) None of the above

55. In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain:
- (A) The names of the directors present at the meeting.
 - (B) In the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
 - (C) Both (A) and (B)
 - (D) Neither (A) nor (B)
56. The proceedings of every meeting of the Board or any of its committees have to be recorded:
- (A) Not required to be recorded
 - (B) In a minutes book
 - (C) In a register
 - (D) All of the above
57. Section 166 deals with:
- (A) Duties of directors
 - (B) Qualification of directors
 - (C) Number of directors
 - (D) None of the above
58. "Managing director" means a director who, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called. This is given under section:
- (A) 2
 - (B) 2(54)
 - (C) 2(34)
 - (D) None of the above

59. Section 447 provides:
- (A) Definition of false statement
 - (B) Punishment for fraud
 - (C) Degree of fraud
 - (D) None of the above
60. "The certificate of incorporation brings the company into existence as a legal person":
- (A) True
 - (B) False
 - (C) Ambiguous statement
 - (D) None of these
61. 'One person company' means a public company with one member:
- (A) True
 - (B) False
 - (C) Ambiguous statement
 - (D) None of these
62. It is just and equitable to wind up a company when:
- (A) There is a deadlock in the management of a company
 - (B) When the company has lost its substratum
 - (C) When the company cannot carry on business except the losses
 - (D) All of the above
63. Powers and duties of company liquidator are provided under section:
- (A) 280
 - (B) 290
 - (C) 300
 - (D) 310

64. The jurisdiction of tribunal is provided under:
- (A) Section 280
 - (B) Section 150
 - (C) Section 2(25)
 - (D) Section 300
65. The Tribunal may, on a reasonable cause being shown and for reasons to be recorded in writing, remove the provisional liquidator or the Company Liquidator, as the case may be, as liquidator of the company on any of the following grounds, namely:
- (A) Misconduct,
 - (B) Fraud or misfeasance,
 - (C) Professional incompetence or failure to exercise due care and diligence in performance of the powers and functions,
 - (D) All of the above
66. On receipt of a petition for winding up under section 272, tribunal may:
- (A) Dismiss it, with or without cost
 - (B) Appoint a provisional liquidator of the company till the making of a winding up order
 - (C) Either (A) nor (B)
 - (D) Neither (A) nor (B)
67. Who can present the petition to the tribunal for winding up of a company?
- (A) Registrar
 - (B) Any contributory or contributories
 - (C) Both (A) and (B)
 - (D) None of the above

68. Under which of the following circumstance/s, a company can be wound up by a tribunal:
- (A) If the company has, by special resolution, resolved that the company be wound up by the Tribunal
 - (B) If the company has acted against the interests of the sovereignty and integrity of India
 - (C) If the company has made a default in filing with the Registrar its financial statements or annual returns for immediately preceding five consecutive financial years
 - (D) All of the above
69. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner, is given under section:
- (A) 2
 - (B) 2(27)
 - (C) 2(50)
 - (D) None of the above
70. "Annual general meeting is an important institution for the protection of shareholders of a company." The statement is:
- (A) True
 - (B) False
 - (C) Ambiguous Statement
 - (D) None of these

71. Section 103 of Companies Act 2013 deals with:
- (A) Quorum for meeting
 - (B) Chairman of meeting
 - (C) Proxies
 - (D) All of the above
72. Power of tribunal to call for annual general meeting is provided under:
- (A) Section 90 of Companies Act
 - (B) Section 97 of Companies Act
 - (C) Section 203 of Companies Act
 - (D) Section 151 of Companies Act
73. Every company is required to call atleastone meeting of its shareholders each year:
This meeting is known as:
- (A) Financial meeting
 - (B) Annual General Meeting
 - (C) General Meeting
 - (D) None of the above
74. Which companies are exempted to add "Ltd" or "Pvt Ltd" at the end of their names:
- (A) Private
 - (B) Govt.
 - (C) Defunct
 - (D) Association not for profits
75. The doctrine of indoor management is an_____ to the doctrine of constructive notice.
- (A) Exception
 - (B) Extension
 - (C) Alternative
 - (D) None of the above

76. Stamp duty on registration of the company is payable based on_____ capital.
- (A) Nominal
 - (B) Authorized
 - (C) Both (A) and (B)
 - (D) None
77. A company is named as govt. company if it holds_____ % of paid-up share capital:
- (A) More than 30
 - (B) More than 40
 - (C) More than 50
 - (D) None of the above
78. A body corporate appointed a person as a proxy. Will he be counted for quorum or not?
- (A) Counted
 - (B) Not counted
 - (C) Ambiguous Statement
 - (D) None of these
79. Paying back of capital is called:
- (A) Redemption
 - (B) Conversion
 - (C) Participation
 - (D) None
80. Central Government permission is required in case of conversion from:
- (A) Private to public
 - (B) Public to private
 - (C) Both (A) or (B)
 - (D) None of the above

81. A company can become a member of another company if it is so authorized by _____.
(A) MOA
(B) AOA
(C) Both (A) and (B)
(D) None of the above
82. Forfeiture can be made only if it is authorized by _____.
(A) AOA
(B) MOA
(C) ROC
(D) C.G
83. The liability of members of company is limited by shares:
(A) Unpaid value of shares
(B) Guarantee amount
(C) Unlimited liability
(D) None of the above
84. Share warrants can be issued with the prior approval of the _____.
(A) Company law board
(B) Dept of company affairs
(C) Registrar
(D) None
85. Minimum paid up share capital in case of a public company is:
(A) 1 Lakh
(B) 3 Lakhs
(C) 5 Lakhs
(D) 7 Lakh

86. Debentures payable to a holder of certificate is called_____.
- (A) Bearer
 - (B) Unregistered
 - (C) Secured
 - (D) Both (A) and (B)
87. Maximum rate of discount that can be allowed on issue of shares:
- (A) 5%
 - (B) 10%
 - (C) 15%
 - (D) 20%
88. Age limit of Directors in case of private company is:
- (A) 65
 - (B) 70
 - (C) 75
 - (D) No limit
89. The minimum number of members necessary for a meeting is called as:
- (A) Quorum
 - (B) Proxy
 - (C) Company secretaries
 - (D) Board of directors
90. The company's nationality is decided by its:
- (A) Shareholders
 - (B) Its registered office
 - (C) Place where books of account are kept
 - (D) None of the above

91. Section 3 of Companies Act 2013 deals with:
- (A) Formation of company
 - (B) Memorandum
 - (C) Articles
 - (D) None of the above
92. Minimum number of persons required to form a public company is:
- (A) 7
 - (B) 9
 - (C) 10
 - (D) 50
93. A private company cannot have more than:
- (A) 50 members
 - (B) 200 members
 - (C) 500 members
 - (D) 100 members
94. Minimum number of members in case of private company is:
- (A) 2
 - (B) 7
 - (C) 50
 - (D) 200
95. When did the companies act 2013 came into force?
- (A) 5 August 2013
 - (B) 10 August 2013
 - (C) 20 August 2013
 - (D) None of the above

96. Which of the following is kind of a company:

- (A) Corporation aggregate
- (B) Corporation sole
- (C) Both (A) and (B)
- (D) None of the above

97. Essential conditions for the existence of Corporation:

- (A) There must be a group or body of human being associated for certain purposes
- (B) There must be organs through which the body or the group acts.
- (C) A will is attributed to corporation by a legal fiction
- (D) All of the above

98. Corporate personality is a:

- (A) Fiction of law
- (B) Artificial personality given to corporation
- (C) Only (A) is true, (B) is false
- (D) Both (A) and (B)

99. A company is a legal person. The statement is:

- (A) True
- (B) False
- (C) Ambiguous Statement
- (D) None of these

100. "Company" means a company incorporated under:

- (A) Companies Act, 2013
- (B) Registration Act
- (C) Industrial Disputes Act, 1947
- (D) None of the above

DO NOT OPEN THE QUESTION BOOKLET UNTIL ASKED TO DO SO

1. Examinee should enter his / her roll number, subject and Question Booklet Series correctly in the O.M.R. sheet, the examinee will be responsible for the error he / she has made.
2. **This Question Booklet contains 100 questions, out of which only 75 Question are to be Answered by the examinee. Every question has 4 options and only one of them is correct. The answer which seems correct to you, darken that option number in your Answer Booklet (O.M.R ANSWER SHEET) completely with black or blue ball point pen. If any examinee will mark more than one answer of a particular question, then the first most option will be considered valid.**
3. Every question has same marks. Every question you attempt correctly, marks will be given according to that.
4. Every answer should be marked only on Answer Booklet (O.M.R ANSWER SHEET). Answer marked anywhere else other than the determined place will not be considered valid.
5. Please read all the instructions carefully before attempting anything on Answer Booklet (O.M.R ANSWER SHEET).
6. After completion of examination please hand over the Answer Booklet (O.M.R ANSWER SHEET) to the Examiner before leaving the examination room.
7. There is no negative marking.

Note: On opening the question booklet, first check that all the pages of the question booklet are printed properly in case there is an issue please ask the examiner to change the booklet of same series and get another one.