REV-01
BLB/01/05

2025/11

SET A

BA LLB
SEVENTH SEMESTER
COMPANY LAW
BLB – 702 [REPEAT]

[USE OMR FOR OBJECTIVE PART]

Duration: 3 hrs. **Full Marks: 70**

Objective **Marks: 20**

Time: 30 min.

Choose the correct answer from the following: ***1×20=20***

1. Which of the following is not a type of charge under the Companies Act, 2013?
   a. Fixed charge
   b. Floating charge
   c. Mortgage charge
   d. Hypothecation charge

2. The minimum number of directors required for a private company is-
   a. 2
   b. 3
   c. 4
   d. 5

3. The document that governs the internal affairs of a company is called-
   a. Memorandum of Association
   b. Articles of Association
   c. Prospectus
   d. Certificate of Incorporation

4. The statutory meeting of a public company should be held within-
   a. 30 days
   b. 60 days
   c. 90 days
   d. 120 days

5. A company is a legal entity created by-
   a. A government decree
   b. A partnership agreement
   c. A memorandum of association and articles of association
   d. A trust deed

6. A prospectus is a document issued by a company to-
   a. Invite the public to subscribe for its shares
   b. Declare a dividend to its shareholders
   c. Appoint a new managing director
   d. Reduce its share capital

7. The Companies Act, 2013 introduced the concept of-
   a. One Person Company
   b. Limited Liability Partnership
   c. Section 8 Company
   d. All of the above

8. The "doctrine of constructive notice" means-
   a. A person is deemed to have knowledge of the contents of a document that is available to the public
   b. A person is deemed to have knowledge of the contents of a document that is registered with the Registrar of Companies
   c. A person is deemed to have knowledge of the contents of a document that is personally served on them

d. All of the above

9. A company can be wound up-
   a. Voluntarily
   b. By the court
   c. By the creditors
   d. All of the above

10. CSR is a voluntary initiative by companies to-
   a. Maximize profits
   b. Minimize costs
   c. Contribute to society
   d. Avoid legal liabilities

11. Director of a company is-
   a. An agent of the company
   b. An employee of the company
   c. A shareholder of the company
   d. All of the above

12. Under Section ____of the Companies Act, every company shall have board of directors-
   a. 149
   b. 146
   c. 147
   d. 148

13. The process of forming a company is known as-
   a. Incorporation
   b. Registration
   c. Incorporation and Registration
   d. None of the above

14. Every individual intending to be appointed as director of company must apply for_____.
   a. Directors Identity Card
   b. Directors Identification Number
   c. Director's Information Card
   d. None of the above

15. Which of the following is not a type of share capital?
   a. Equity shares.
   b. Preference shares.
   c. Debentures.
   d. Bonus shares.

16. A company is a separate legal entity. This means-
   a. It can sue and be sued in its own name.
   b. Its shareholders are personally liable for its debts.
   c. It cannot own property.
   d. It cannot enter into contracts.

17. Every company is required to hold a minimum number of ____ meetings of its Board of Directors every year.
   a. Two
   b. Four
   c. Three
   d. Five

18. The maximum number of directors in a public company is-
   a. No limit
   b. 15
   c. 20
   d. 25

19. What is the most fundamental characteristic of a company that distinguishes it from a sole proprietorship or partnership?
   a. Limited liability
   b. Perpetual succession
   c. Separate legal entity
   d. Transferability of shares

20. Which of the following is not a key characteristic of a company?

a. Capacity to sue and be sued
b. Unlimited liability for shareholders
c. Separate property
d. Power to acquire property

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Descriptive

Time : 2 hrs. 30 min. **Marks : 50**

[Answer question no.1 & any four (4) from the rest]

1. What are the key components of a company's formation? Describe their significance in such formation. **5+5=10**

2. Discuss key milestones and significant legal developments that have shaped the modern corporate landscape of company law along with its characteristics. **5+5=10**

3. Discuss the concept of the corporate veil and its significance in corporate law. Under what circumstances can the corporate veil be pierced? Analyze the factors considered by courts in determining whether to pierce the veil. **2+4+4 =10**

4. What is a prospectus? What are the key requirements for aprospectus under the Companies Act, 2013? Discuss the consequences of issuing a misleading prospectus **5+5=10**

5. Analyse the legal and ethical obligations of companies to engage in CSR activities describe the potential benefits with illustration **10**

6. Describe the different types of shares that a company can issue under the Companies Act, 2013, and explain the key characteristics of each type. **5+5=10**

7. What are debentures in the context of company law? Explain the different types of debentures, their features, and the rights of debenture holders. **5+5=10**

8. What is winding up of a company? Discuss the different grounds for winding up a company under the Companies Act, 2013. Explain the role of the liquidator in the winding up process. **2+4+4 =10**

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