

COURSE: B.COM. (H.)

SEMESTER - II

PAPER: CORPORATE LAW

QUESTION BANK

1. “A Company is in Law a different person altogether from the members”. Comment citing relevant case laws.
2. Define Pre-incorporation Contracts. Discuss the legal effects of Pre-Incorporation Contracts.
3. Write a note on the concept and advantages of Book Building Process.
4. What do you mean by One Person Company? What are the exemptions enjoyed by OPC?
5. Explain the “Doctrine of Indoor Management”. State the cases in which the “Doctrine of Indoor Management is not applicable”.
6. “Buyback of Shares is an instrument to improve shareholders net worth.” Explain. State relevant provisions pertaining to buyback of shares by a company.
7. Distinguish between any one:
 - Memorandum and Articles of Association
 - Right Shares and Bonus Shares.
 - Shares and Stock.
8. How are directors appointed by a Company in a General Meeting?
9. Mohan subscribed to the shares of a Company on the basis of a Prospectus which contained fraudulent statement. After a few days, Mohan sells his shares to Radha. Radha files a suit in the Court of Law against misstatement in the Prospectus and claims compensation. Will he succeed?
10. Write a short note on any one:
 - Independent Director
 - Association not for Profit
 - Issue of Sweat Equity Shares

- Shelf Prospectus

11. The articles of 'P' Limited contained a clause that Q would be the legal advisor of the Company and would not be removed except for misconduct. P Ltd. after some time removed Q. Has Q a legal right against this action of the Company?

12. Define a Government Company. State special provisions of the Companies Act relating to Government Companies.

13. a) Explain the provisions of Companies Act 2013 relating to the establishment of Investor Education and Protection Fund.

b) The shareholders at an AGM of public company unanimously resolved for payment of dividend through the BOD did not recommend payment of any dividend. State the legal position.

14. a) What is an Extraordinary General Meeting? Who can call such a meeting?

b) Anil appoints Ram as proxy. Just before the meeting, Anil comes to attend the meeting. Explain the position of proxy appointed by Anil.

15. Explain the following:

- Dematerialization
- Depository
- Depository participant

16. State the provision of the Companies Act relating to Alteration of name clause in the Memorandum.

17. State any ten differences between a private company and a public company.

18. Explain section 8 companies as stated in the Act or Producer Company.

19. A company has its registered office at Mumbai. Due to some reasons favorable to the company, it wishes to shift its registered office to London. Can this be permitted?

20. The Directors of a company borrowed Rs.1 Lakh from Mr. X. The articles of association of the company contained a clause that the company borrows only after getting resolution passed in the shareholders meeting. No such resolution was passed by the company. Mr. X wanted to sue the company for repayment. Discuss.

21. A purchased 5000 shares of XYZ Ltd from B. on the prospectus containing wrong statement. What remedies are available to Mr. A against the company?

22. A company was in financial difficulties and the majority shareholders representing 98% of the share were willing to provide the required capital if the remaining shareholders amounting 2% would sell their shares to the majority shareholders. However, the minority shareholders refused to sell their shares to majority and the company altered its articles so as to authorize the majority shareholders to purchase the minority shares compulsorily on certain terms. Is the minority bound by the alteration?
23. State the provisions of the Companies Act, 2013 with respect to qualifications and disqualifications of Directors.
24. State the legal provisions regarding calling and holding of an Annual General Meeting. What are the consequences of default in holding of such a meeting?.
25. Write a note on Audit Committee.
26. Distinguish between a whole time director and a managing director.
27. What do you mean by insider trading? State the legal provisions regarding insider trading under the Companies Act, 2013.
28. Write a note on postal ballot.
29. What is meant by inability to pay debts? Can a company be wound up on this ground?
30. What the process is of dematerialized of physical shares under the Depository System? Can these be rematerialized?
31. Describe the essential steps to be taken for on-line registration of a company.
32. "A company cannot justify a breach of contract by altering its Articles of Association". Explain.
33. 'A' applied for certain shares of a company on the basis of prospectus containing the name of six directors of the company. Two directors from these six retired before the shares were allotted. Can 'A' exercise the right of rescission against the company? Also explain the cases where he will lose this right.
34. State the importance of 'Memorandum of Association' of the company. Explain the procedure relating to the alteration of object clause of Memorandum of Association.
35. Write a note on 'Demand Prospectus'.
36. What are the bonus shares? State the conditions that must be complied with before a company makes a bonus issue.
37. What are conditions to be fulfilled by a company that proposes to issue 'sweat equity shares' under Companies Act, 2013?
38. Write a note on 'voting by electronic means'.

39. Discuss the provisions of the Companies Act,2013 regarding the Directors identification number.
40. Under what circumstance a director is deemed to have vacated the office of directorship?
41. Write a note on Woman Director.
42. Who is Proxy? Is it essential for a proxy to be member of the company? If a proxy is appointed by shareholder but in the meeting shareholder also casts his vote, whose vote will considered valid and why?
43. State the provisions of the Companies Act,2013 with respect to qualification and disqualification directors.
44. What is the process of dematerialization of physical shares under the Depository System? Can these be rematerialized?
45. What is 'Audit Committee' of Board of Directors? Explain the functions of this committee.
46. Explain 'Advisory Committee' which is constituted in case of Compulsory Winding up.
47. Is it mandatory for every company to rotate its Auditors? What are the provisions of the Companies Act with regard to Rotation of Auditors?
48. Explain winding up of a company on 'just and equitable' grounds.
49. What do you understand by script less trading system as per Depository Act, 1996. Explain its benefits.