

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BCom DEGREE EXAMINATION DECEMBER 2024
(Third Semester)**

Branch – CORPORATE SECRETARYSHIP

COMPANY LAW AND SECRETARIAL PRACTICE - I

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	What is the primary purpose of the Companies Act? a) To regulate only public companies. b) To provide a framework for the formation, regulation, and dissolution of companies. c) To govern partnerships and sole proprietorships. d) To create tax regulations for businesses.	K1	CO1
	2	What does the term "limited liability" mean in the context of a company? a) Shareholders' liability is limited to the amount unpaid on their shares. b) The company can only borrow a limited amount of money. c) The company's ability to generate profit is limited. d) The company's liability to pay taxes is limited.	K2	CO1
2	3	Which document outlines the rules for the management of a company? a) Memorandum of Association b) Articles of Association c) Certificate of Incorporation d) Annual Return	K1	CO2
	4	Which document is required to be filed with the Registrar of Companies to officially incorporate a new company? a) Memorandum of Association b) Articles of Association c) Both Memorandum of Association and Articles of Association d) Annual General Meeting minutes	K2	CO2
3	5	Which type of share provides the shareholder with preferential treatment in receiving dividends before ordinary shareholders? a) Ordinary Shares b) Preference Shares c) Deferred Shares d) Redeemable Shares	K1	CO3
	6	What is a key feature of redeemable shares? a) They cannot be bought back by the company. b) They are repurchased by the company at a future date. c) They come with voting rights. d) They are only issued to employees.	K2	CO3
4	7	What is the primary purpose of a prospectus? a) To provide a detailed financial report of the company. b) To offer information about a company's operations and financial condition to potential investors. c) To provide an audit opinion on the company's financial statements. d) To set the terms of a company's loan agreement.	K1	CO4
	8	Which type of prospectus is issued when a company wants to raise funds from the public for the first time? a) Red Herring Prospectus b) Shelf Prospectus c) Initial Public Offering (IPO) Prospectus d) Offering Circular	K2	CO4

Cont...

5	9	Which of the following is typically a requirement for becoming a member of a company? a) Purchasing a minimum number of shares b) Holding a managerial position in the company c) Being a director of the company d) Having a specific educational qualification	K1	CO5
	10	Who is responsible for maintaining the company's register of members? a) The company's auditor b) The company's secretary c) The Registrar of Companies d) The company's shareholders	K2	CO5

SECTION - B (35 Marks)Answer **ALL** questions**ALL** questions carry **EQUAL** Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Explain the various circumstances in which the corporate veil has been lifted.	K2	CO1
		(OR)		
	11.b.	Illustrate special privileges available to private limited company.		
2	12.a.	Identify exceptions to doctrine of indoor management	K3	CO2
		(OR)		
	12.b.	Develop the contents of articles of association.		
3	13.a.	Analyze the procedure for reduction of share capital.	K4	CO3
		(OR)		
	13.b.	Examine the general provisions for allotment of shares.		
4	14.a.	Contrast the procedure for registration of prospectus	K4	CO4
		(OR)		
	14.b.	Discover the civil liability for misstatement in prospectus		
5	15.a.	Decide who can become a member of a company.	K3	CO5
		(OR)		
	15.b.	Evaluate the methods of cessation of membership.		

SECTION - C (30 Marks)Answer **ANY THREE** questions**ALL** questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Explain the procedure for incorporation of public limited company.	K2	CO1
2	17	Construct the secretarial procedure for alteration for articles of association.	K3	CO2
3	18	Categorize various kinds of preference shares.	K4	CO3
4	19	Examine the contents of prospectus.	K4	CO4
5	20	Evaluate the rights of members in a company.	K5	CO5