

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

**BCom(CS) DEGREE EXAMINATION MAY 2025
(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 maximum number of shareholders allowed in a private limited company? a) 50 b) 100 c) 200 d) Unlimited	K1	CO1
	2	What is the significance of the Certificate of Incorporation? a) It permits the company to start business operations. b) It provides the company with legal status as a separate entity. c) It lists the names of the shareholders. d) It specifies the objectives of the company.	K2	CO1
2	3	Which clause of the Memorandum of Association specifies the purpose for which the company is formed? a) Name Clause b) Registered Office Clause c) Objects Clause d) Liability Clause	K1	CO1
	4	Can a company operate beyond the powers granted in the Objects Clause of its Memorandum of Association? a) Yes, with shareholder approval b) Yes, with board approval c) No, it is ultra vires (beyond the power of the company) d) Yes, if the directors deem it necessary	K2	CO2
3	5	Which of the following is the most common type of share issued by companies? a) Preference Shares b) Equity Shares c) Debentures d) Redeemable Shares	K1	CO1
	6	Which shares can be bought back by the company after a certain period or upon fulfilling specific conditions? a) Preference Shares b) Redeemable Shares c) Equity Shares d) Bonus Shares	K2	CO2
4	7	In which document would an investor find the terms of the securities being offered, including their price and quantity? a) Annual Report b) Prospectus c) Memorandum of Association d) Articles of Association	K1	CO1
	8	A Red Herring Prospectus is: a) A final prospectus that includes the final offer price of the securities. b) A preliminary prospectus distributed before the registration of securities. c) A document used to summarize the company's annual financial statements. d) An internal report used for assessing the company's operational risks.	K2	CO2
5	9	Which document outlines the rights and responsibilities of members within a company? a) Memorandum of Association b) Articles of Association c) Prospectus d) Annual Report	K1	CO1
	10	What happens to a member's shares if they decide to leave the company? a) The shares are automatically transferred to another member. b) The company must buy back the shares. c) The shares are sold on the open market. d) The shares become void.	K2	CO2

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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 legal status of promoter	K2	CO1
		(OR)		
	11.b.	Illustrate the features of preliminary contracts		
2	12.a.	Identify the doctrine of ultra vires with references to the affairs of a company	K3	CO2
		(OR)		
	12.b.	Develop the contents of articles of association		
3	13.a.	Differentiate between shares and stock	K4	CO3
		(OR)		
	13.b.	Examine the conditions for buy back of shares		
4	14.a.	Conclude the contents of deemed of prospectus	K4	CO4
		(OR)		
	14.b.	Summarize the procedure for issue of shares over private placement		
5	15.a.	Discover various methods of to become a member of a company	K3	CO5
		(OR)		
	15.b.	Decide the Contents of register and index of members		

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 various classifications of company	K2	CO1
2	17	Construct the clauses of memorandum of association	K3	CO2
3	18	Categorize the procedure for alteration of share capital	K4	CO3
4	19	Examine civil and criminal liability for misstatement in prospectus	K4	CO4
5	20	Evaluate the circumstances where the rectification registers of members by company law board	K5	CO5

Z-Z-Z

END