



Chhatrapati Shahu Ji Maharaj
University, Kanpur

Answer Script Details
Barcode 5866373

Roll No. 23072000277
Total Mark 63/75.00

Exam BACHELOR OF COMMERCE_ODD EXAM-DEC-24
Subject C010301T - COMPANY LAW

Question wise Mark Summary

Q.No Mark Q.No Mark Q.No Mark Q.No Mark

1A 3/5 8 14/15

1BI 2/2 9 0/15

1BII 2/2

1C 4/5

1D 4/5

1E 4/5

1F 4/5

1GI 2/2

1GII 2/2

1H 4/5

1I 4/5

2 0/15

3 0/15

4 0/15

5 14/15

6 0/15

7 0/15

Chhatrapati Shahu Ji Maharaj University Kanpur, Uttar Pradesh

PART-II

MARKS OBTAINED

Q.	1	2	3	4	5	6	7	8	9	10
(a)										
(b)										
(c)										
(d)										
(e)										
(f)										
(g)										
(h)										
(i)										
(j)										
Total										
Total Marks in Figures										Max. Marks
Total Marks in Words										



C 0 1 0 3 0 1 T
Paper Code

Signature of Evaluator

Date of Exam : 03/01/2025 Shift : 2nd Room No. AT-02
 Paper Code: C010301T Subject: Company law Year/Sem: 3rd Sem
 Name of Candidate: DISHA PORWAL
 Roll No. 23072000277

Signature of Candidate
 Signature of Invigilator
 COE Facsimile

Course **B.COM**

Session **2024-25** Year/Semester **3rd sem.**

Subject Name **Company law**

Medium English Hindi

Paper Code

C 0 1 0 3 0 1 T

Exam Date

0 3 0 1 2 0 2 5

Name of Candidate

D I S H A P O R W A L

Father's Name

P R A V E E N P O R W A L

Father's Name

P R A V E E N P O R W A L

कॉलेज का कोड
College Code

E W 0 2

A	A	0	0
B	1	1	1
F	0	2	2
H	J	3	3
K	K	4	4
L	L	5	5
R	M	6	6
S	N	7	7
U	T	8	8
U	9	9	9

परीक्षा केंद्र का कोड
Exam Centre Code

E W 0 2

A	A	0	0
B	1	1	1
F	0	2	2
H	J	3	3
K	K	4	4
L	L	5	5
R	M	6	6
S	N	7	7
U	T	8	8
U	9	9	9

परीक्षा का प्रकार
Type of Exam

Regular
 Ex-Student
 Re-take other
 Back Paper Exam

ANSWER BOOKLET NO.

5866373

C 0 1 0 3 0 1 T
Paper Code



Enrolment Number

C S J M A 2 3 0 0 0 1 3 1 5 0 7

परीक्षार्थी अंशनाम संख्या Candidate's Roll Number

पेपर कोड Paper Code

2 3 0 7 2 0 0 0 2 7 7

0	0	0	0	0	0	0	0	0	0	0
1	1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3	3
4	4	4	4	4	4	4	4	4	4	4
5	5	5	5	5	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	6	6
7	7	7	7	7	7	7	7	7	7	7
8	8	8	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	9

C 0 1 0 3 0 1 T

A	0	0	0	0	N
B	1	1	1	1	P
E	2	2	2	2	R
F	3	3	3	3	
G	4	4	4	4	
H	5	5	5	5	
J	6	6	6	6	
K	7	7	7	7	
L	8	8	8	8	
U	9	9	9	9	

Disha
Signature of Candidate

Signature of Invigilator

परीक्षा केंद्र - C S J M A - 02
C S Facsimile

Signature
COE Facsimile

नोट- 1. परीक्षार्थी को निर्दिष्ट किया जाता है कि आवरण वाले से घृष्ट भरा पर अधिकांश सभी निर्देशों को सावधानीपूर्वक पढ़ें।
 2. अधिकांश में धरा जाने वाली प्रविष्टि/विशेष बायो डेटा के शुद्ध हो जायें। 3. मोबाईल को बंद करने पर मोबाईल नॉटिफिकेशन से भरा जायें।

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-I

1. Read the instructions carefully given on the answer script and admit card.
2. Write Date of Exam, Shift, Paper Code & Name of Subject Correctly.
3. Write Name & Roll No. Correctly.
4. Write Semester & Branch Correctly.

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-II

1. Use blue or black ball point pen for writing alphabets & numerals in boxes.
2. Carefully study the example before you start marking.
3. As shown in the example below, blacken the circles completely.



4. Make no stray marks on this sheet.
5. DO NOT WRITE OR MARK ON THE BAR CODE.

IN ORDER TO AVOD UFM (UNFAIR MEANS) :

1. The Roll No. and Answer Book no. found elsewhere or any other symbol found in the answer book will be treated as unfair means.
2. Any tampering of Bar Code and Booklet no shall be treated as Unfair Means.
3. Do Not bring the materials like slip of paper/mobile/digital diaries/ study material/ revision notes in examination hall. Possession of the mobiles/ digital diaries/electronic/digital watch and any other electronic gadget except memory less scientific calculator shall be considered as UFM case.
4. Do not keep or paste currency note in answer script it shall be consider as UFM.

अनुचित साधन से बचने हेतु :

1. उत्तर पुस्तिका की निर्दिष्ट स्थान को प्रोक्टर अनुक्रमिक एवं उत्तरपुस्तिका का क्रमिक कडी और न लिखे तथा कोई भी चिह्न न बसने संबंधित यह अनुचित साधन प्रयोग की परीधि में आता है।
2. उत्तर पुस्तिका की बायोमेट्रिक जगह उत्तर पुस्तिका संख्या पर छेद प्राप्त करने पर अनुचित साधन प्रयोग माना जाएगा।
3. परीक्षा कक्ष में निम्न वस्तुएं साथ न लाने, जैसे गिण्टे हुए कागज के टुकड़ों, मोबाइल, डिजिटल डायरी, डिजिटल वॉच, बसके, पुराने कपड़ा कपड़े जो अनुचित साधन को अडवर्टेस आती है। केवल संबंधित प्रश्नपत्र में ही मेमोरी लेस साइंटिफिक कैलकुलेटर ले आने की अनुमति है।
4. उत्तर पुस्तिकाओं में कसबे न लगे न ही उत्तर पुस्तिका में चिह्नकारी। ऐसा करना अनुचित साधन प्रयोग की परीधि में आता है।

उत्तरपुस्तिकाओं को भरने की दिशा

1. प्रश्न पत्र एवं उत्तर पुस्तिका पर दिये गये निर्देशों को ध्यान से पढ़ें।
2. कसबे मुक्त केंद्र वाली तरफ सुचारु लिखें।
3. उत्तर पुस्तिका के पृष्ठों पर कोने तरफ लिखें।
4. प्रश्न पत्र पर अपने अनुक्रमिक को अतिरिक्त सुचारु न लिखें।
5. प्रश्न पत्र कोड एवं प्रश्न पत्र ID काव्यापी पूर्णक लिखें।
6. अपनी स्थिति स्पष्ट लिखें।
7. उत्तर पुस्तिका के पृष्ठों की संख्या देखें। अगर उत्तर पुस्तिका में पृष्ठ (1-24) से कम है या फटे हुए है, तो परीक्षा शुरू होने से पूर्व दूसरी उत्तर पुस्तिका ले लें।
8. प्रश्नपत्र को देख, यदि प्रश्नपत्र के विषय कोड, विषय का नाम तथा प्रश्न में कोई त्रुटि है तो उसकी परीक्षा शुरू होने से 30 मिनट के अन्दर कक्ष निरीक्षक को तत्काल सूचित करें, उसकी धार विचारविमल्य प्राप्त होगी अन्यथा कोई भी आपत्ति नहीं की जाएगी।
9. प्रश्नों के उत्तर लिखने के लिये पेन्सिल का प्रयोग न करें।
10. बी कोपी का अतिरिक्त प्राक नहीं दिया जाएगा।

INSTRUCTION TO THE CANDIDATE

1. Read the instructions carefully given on the Question Paper, Admit Card & Answer Script.
2. Do not write anything on back side of the cover page.
3. Write on both sides of pages of answer book.
4. Do not write anything on question paper except Roll Number.
5. Write Paper Code & Question Paper id carefully.
6. CHECK the number of pages (1-24) or any other kind of damage in your answer script, if found than change the answer script immediately before the commencement of examination.
7. CHECK the Question Paper for any kind of discrepancy e.g. Subject Code, Sub Name, and Question of the Question Paper during first THIRTY MINUTES of the commencement of the exam, so that it can be corrected in TIME. After that no corrections shall be entertained by the university.
8. Do not use pencil for answering the question.
9. Write status correctly e.g. those appearing in carry over papers should fill in status as Carry Over. Those appearing as Ex- Students should fill in status as ex.
10. No supplementary answer book & graph paper will be provided.

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-IV

1. Use blue or black ball point pen for writing alphabets & numerals in boxes.
2. Use blue or black ball point pen for filling the circles.

	1	8	1	5	4	3	2	1	6	9
0	0	0	0	0	0	0	0	0	0	0
1	●	1	●	1	1	1	1	●	1	1
2	2	2	2	2	2	2	●	2	2	2
3	3	3	3	3	3	●	3	3	3	3
4	4	4	4	4	●	4	4	4	4	4
5	5	5	5	●	5	5	5	5	5	5
6	6	6	6	6	6	6	6	●	6	6
7	7	7	7	7	7	7	7	7	7	7
8	8	●	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	●

Note- If your Roll No. is of 10 digits, Please leave first three columns.



Answer 10):- Corporate Veil

Corporate veil refers to the condition when a company goes into a circumstance which leads to the termination or shutting down of a company. As the company starts slowing down their operational activities to ascertain the circumstances that causes a veil to corporate.

According to the Companies Act, 2013, states that any company which goes into circumstances like corporate veil has defined the company's circumstances which causes loss to the company financially and also the goodwill of the company affect through this.

Under circumstances where corporate veil can be pierced.

- (1) It can be identified as company's financial statement, annual returns starts affecting.
- (2) It can be identified when its regular, day to day activities starts affecting through this in such a way which leads to corporate veil.



Answer 1(b):

Corporate Social Responsibility :-

The company has certain social responsibilities.

- (1) Reasonable Quality at Reasonable Price :- The company has the responsibility to provide the Reasonable Quality of goods to society at Reasonable Price with some greater condition.
- (2) Employment :- The company have to generate employment through the course of Business and fairly wages should provided to them.
- (3) Charitable activity :- The company should involves in NGOs and perform activity for the social welfare, which leads to increase in goodwill of the company.
- (4) Policies Regarding Women Empowerment :- The company should perform or implement some policies which encourage the women through reservation of employment in Business units.

Independent Directors

Meaning

Independent directors are those director which are appointed with the purpose of enhancing the governance standards and improve the credibility of a company.

- (1) One-third of directors are independent directors.



Paper Code

C 0 1 0 3 0 1 T



3

which are appointed in the company.

[$\frac{1}{3} \times \text{Total Directors} = \text{Independent Directors}$]

(2) In case of public company, independent directors are [$\frac{1}{3} \times 15 = 5$] five where private company has also same number of directors.

(3) Independent Directors are appointed to protect the interest of minority shareholders.

(4) They give doesn't give influenced or biased decision in the company.





1(c)

Answer:- Dormant Company

Meaning:- Dormant comp. refers to the company which are not actively participated in the company. It act as silent company who has no share capital of the company.

- It also known as share silent company
- It has no share capital
- It acts passively in the business
- It created by law
- It has limited liability in the company.



Paper Code

C010301T



5

1(d)

Answer 9: Memorandum of Association

Meaning:- Memorandum means memorandum of association as originally framed or altered in pursuance of any previous law or under the companies Act, 2013.

- It is a legal document prepared by the promoters of company during formation of company.
- It is a public document which easily available to give the knowledge about the company.
- It also known as charter of the company.

Content to be stated in MOA

- It is the charter of the company so it declares the following information regarding the company:-
 - (1) Specifies the financial statement :- It specifies the Balance sheet & profit/loss of the company during the year.
 - (2) Name clause :- It specifies the details regarding the name of the company
 - Name should not be offensive, undesirable by the court
 - It should not resemble to existing company

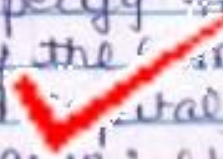



Paper Code

C010301T



6

- (3) Objective clause :- The company should not pay out beyond its objective prescribed in the MOA.
- (4) Liability Clause :- It specifies the details regarding the liability of the company.
- (5) Capital Clause :- It also specifies the details regarding the capital of the company (Initial capital / Authorized  Capital)
- (6) Association / Subscription clause :- It specifies the procedure to subscribe the share.
- (7) Registered office clause :- It specifies the details regarding the registered office of the company.
- 



Answer 1(c) - Buy-Back of shares

Meaning - Buy-Back of shares means the company bought back the shares from the shareholder or members of the company after a specified maturity date in the agreement and Bye-laws of a company.

As Briefly explained the term 'Buy Back' denotes the Repurchased & 'SBC' from shareholders' denotes that share are bought back & repurchased from the member or general public of the company.

They have no right to vote in the corporate decision.

Conditions - and Procedure

Buy back of shares can be applied in two conditions as follows

(1) Redeemable Shares :- Redeemable shares are those shares which a company bought back from the shareholder after a specified maturity date or may be before the maturity date by the repayment to the shareholder.

(2) Treasury Shares :- These are shares which company issued at a discount and repurchased at par & the holder of this kind of shares doesn't have dividend & right to vote in corporate decision.



Paper Code

601030IT



8

When

(3) Company had ~~extra~~ capital which is diluted in more than 51% or above then company buy-back its share.

(4) When company had extra amount present in their account then it buy back its share to get the organisational structure less diluted.



Do Not Write anything in this Portion



Answer 1(f)

Condition for issue of Bonus shares

Bonus shares are those shares which is being offered by the public company to existing shareholders, members, employees of the company -

- (1) When company wants to attract the potential investor, then they issue bonus shares as to enhance the credibility of the company.
- (2) When company wants to issue shares not through the other procedures i.e. Right Share Issue, IPO, Private Placement, Preferential allotment.
- (3) When company has expanded capital
- (4) When it wants improve goodwill
- (5) Enhance Credibility
- (6) Profit to Shareholders



Answer 1(g)

Ultra Virus Borrowing

Meaning: It refers to the method of borrowing in which company alter its article of association or memorandum of association by making change in the objective clause of the company. As company having its objective clause do not perform the objective clause, if such type of agreement occur then in happening of uncertain event, no one cannot sue on each other.

Ex - Ashbury Railway Ltd vs Riche.

If company lends loan to the other company for performing any activity or contract, then such contract is considered to be void as no one sue on each other.

Article of Association (AOA)

Meaning: It is the internal rules & regulation of the company.

- It is the constitution of the company.
- It provides rules & regulation for the company.



It specified Information Regarding company as follows -

(1) Share capital and class of share :-

• It specified the authorised & issued capital of the company & division of share into different class & their right & Privileges.

(2) Issuance & Transfer & Transmission of share

• It specify the procedure for issuance, transfer & transmission of shares.

(3) Appointment of Directors :-

• It specify Directors powers, appointment, Removal, vacation procedure.

(4) Procedure for wind up

(5) Borrowing power of the company

(6) Legal Rights

(7) Voting Right

(8) Entitlement of Dividend.





Answer 1(h)



	Shareholder	Members
Basis of name	Shareholders are the person whose name appears on his share	Members are the person whose name appears on the register of members or depository system
Relation	Shareholders may or may not be member of the company	Members are not or may not be the shareholder of the company or company Ltd. by guarantee (no share capital)
Depository system	Under depository Act, 1996, any person who holds preferential shall not be the member of the company	Under depository Act, 1996, any person who hold equity share shall be deemed to be the member of the company.
Nature	Shareholders are the owners of the company & have some unit of ownership in the company	Members of the company are subscribers to the memorandum of Association
Definition	Shareholders are the person who holds share in his name	Members are the person who register in the members or under depository system.



Answer 1(i) - Quorum

- **Meaning:-** According to companies Act, 2013 Quorum refers to the minimum numbers of members required to conduct meeting of the company.
- Quorum means One-third of the total number of members required to approve or pass any ^{Resolution} as well as to conduct meetings.
- The Quorum of meeting ^{Shareholders} Remains same throughout the meeting [Beginning, After Break, Ending].
- If any default occurs, then such meeting will be called off.

OBJECTIVES

- (1) Get Approval of Shareholders.
- (2) Provide Detailed Information Regarding company affairs
- (3) Discuss over company affairs
- (4) To take Rational Decision
- (5) To take Action, if any default
- (6) To know the Idea of Shareholders
- (7) To Avail the Information
- (8) To Appoint Directors, Auditors
- (9) To take decision regarding investment
- (10) To take decision regarding everyday activity in the organisation.



Answer (5)

Answer 5-

COMPANY

Meaning:- According to company Act, 2013, a company which incorporated under this Act or any previous law known as company.

- A company is an artificial person created by law & has separate legal entity, perpetual succession, limited liability and a common seal.
- A company is meant an association of persons who contributed money or money's worth to a common stock, and who share the profit and loss arising therefrom. A common stock contributed is denoted in money & is the capital of the company. A person who contributes it is member of the company, a proportion of capital of each member contributed is his share. Here shares are freely transferrable (in case of public company) and may be less or more stricted.

Features

- Incorporated Association
- Artificial Person
- Creation of law
- Separate legal Entity
- Transferrability of shares
- Limited Liability
- Common seal.



TYPES OF COMPANY

(A) On the Basis of Liability

Company Ltd. by shares	Company Ltd by guarantee	Unlimited Company
It refers to the company in which liability of its members is ltd. to extent amt of the face value of shares	It refers to the company in which liability of its members is ltd by amt. of guarantee	It refers to the company in which members has unlimited liability

On the Basis of Creation

Chartered company Company incorporated by head/king of the state	Statutory company Company incorporated by special Act of Parliament	Incorporated Company Company incorp created under companies Act, 2013
---------------------------------------------------------------------	------------------------------------------------------------------------	--------------------------------------------------------------------------

On the basis of members

Public company It has minimum 7 member in company & limit on max.	Private company Company has min. 2 members & has min share paid up capital	One Person Company A company has only one member in the company
----------------------------------------------------------------------	-------------------------------------------------------------------------------	--------------------------------------------------------------------

On the Basis of Nation Interest

Foreign company Company Registered outside India.	Indian company Company Registered Inside India
------------------------------------------------------	---------------------------------------------------



Other types

Charitable company

Producer company

Small company

Holding company

Subsidiary company

Characteristics of Share

- Share is the part of capital which determines the interest and obligation of the shareholder.
- It is a unit of ownership in a company.
- It is defined as^o in Company Act, 2013, a share as share in the share capital of the company and including stock.

TYPES OF SHARES

1) Equity shares - These shares have the voting right & dividend paid after preferential shares, if declared



b) Preference shares - These share have the voting right and Dividend provided firstly & Repayment of capital of company goes into liquidation

c) Redeemable shares - The company buy back its shares from the shareholder after specified period

d) Treasury shares ✓ are shares issue at discount & repurchased at par

e) Convertible shares - are shares which convert into equity shares

f) Non-convertible shares which cannot be convert into equity shares

g) Nominal shares ✓

h) Other shares



Answer 8 Winding-up of a company

Meaning:- It refers to the closing & terminating the existence of the company.

- It also known as liquidation.
- It is an orderly disposal of company's assets, outstanding debts and settling them against liability and the remaining amount is distributed among shareholders and creditors of the company.
- It also defined as the closing of business due to wind-up by Government, NCLT (National company law Tribunal)

Various kinds of winding-up of a company.

(1) Compulsory winding up by NCLT
(National company law Tribunal)

:- It refers to the winding-up of a company by NCLT under specific circumstances.

Such circumstances are.

- Inability to pay debts
- Default in holding Statutory Meeting



- Just & Equitable Circumstances
- Default in financial statement for consecutive 3 years

Its Process

- Petition :- Petition of windup of a company was given to NCLT.
- Hearing :- Court held hearing to conduct or consider the evidence & arguments
- Order of wind-up - Court after all the verification will order to windup the company
- Appointment of liquidator to oversee the company's assets

(2) Voluntarily wind-up.

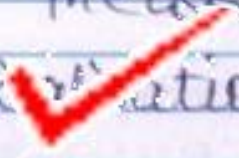
It is the voluntarily wind-up of the company by shareholders, directors, committees of the company rather than external parties i.e NCLT

Its Process


- (1) voluntarily windup
- (2) Passing special resolution
- (3) Circumstances of windup
- (4) Members voluntarily windup or creditors wind-up
- (5) Appointment of liquidators
- (6) Liquidation process



Powers & Duties of Official Liquidators

- ① Preservation of Assets means saving the assets of the company
- ②  Verification of Assets
- ③ Distribute the proceeds amount
- ④ Summon Meeting
- ⑤ Investigation
- ⑥ Reports to Tribunal

Official liquidators are the officers appointed by govt. from the panel of chartered account or company secretary to oversee the company's assets against liability & distribute remaining funds to shareholders or creditors





Paper Code

C010301T



21





Paper Code

--	--	--	--	--	--	--	--	--	--



22

-Do Not Write anything in this Portion





Paper Code

C	O	I	O	3	O	I	T
---	---	---	---	---	---	---	---



23





Paper Code

--	--	--	--	--	--	--	--	--	--



24

•Do Not Write anything in this Portion

