

Roll No: _____

Date: ___/___/___

St. Claret College

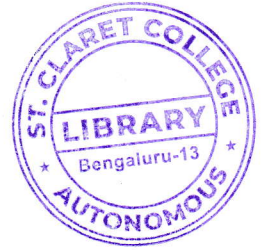
Autonomous, Bengaluru

UG END SEMESTER EXAMINATION- NOV 2025

B.COM I SEMESTER

BC 1224: CORPORATE LAW

9



TIME: 3 hours.

MAX. MARKS: 80

This paper contains 3 printed pages and 4 parts

Instructions:

1. Verify and ensure that the question paper is completely printed.
2. Any discrepancies or questions about the exam paper must be reported to the COE within 1 hour after the examination.
3. Students must check the course title and course code before answering the questions.

PART-A

Answer ALL questions. Each answer carries ONE mark.

[1 x 10 = 10]

1. A company in which not less than 51% of the paid-up capital is held by the Central or State government is called a:
 - a. Public Company
 - b. Government Company
 - c. Holding Company
 - d. Foreign Company
2. Which of the following is NOT a feature of a company under the Companies Act, 2013?
 - a. Separate legal entity
 - b. Unlimited liability of members
 - c. Perpetual succession
 - d. Common seal
3. Who among the following is responsible for initiating the process of forming a company and bringing it into existence?
 - a. Director
 - b. Shareholder
 - c. Promoter
 - d. Auditor
4. Which doctrine restricts a company from going beyond the powers stated in its Memorandum of Association?
 - a. Doctrine of Constructive Notice
 - b. Doctrine of Indoor Management
 - c. Doctrine of Ultra Vires
 - d. Doctrine of Limited Liability
5. Which of the following is a type of share that gives its holder a fixed dividend and priority over equity shareholders during winding up?
 - a. Equity Share
 - b. Preference Share
 - c. Bonus Share
 - d. Sweat Equity Share
6. Under the DEMAT system, shares are held in:
 - a. Paper form in the company's office
 - b. Bank lockers
 - c. Electronic form with a depository
 - d. Physical form with the Registrar of Companies

7. What is the document issued by the Central Government that enables a person to become a director of a company?
 - a. PAN Card
 - b. Director Identification Number (DIN)
 - c. Certificate of Incorporation
 - d. Digital Signature Certificate
8. Who among the following is responsible for maintaining minutes and statutory registers in a company?
 - a. Chief Financial Officer
 - b. Director
 - c. Company Secretary
 - d. Shareholder
9. Which of the following is a primary cause of company liquidation?
 - a. Increase in share price
 - b. Excess cash reserves
 - c. Inability to pay debts
 - d. High employee turnover
10. What is the full form of NCLT?
 - a. National Corporate Law Tribunal
 - b. National Committee for Legal Tribunals
 - c. National Company Law Tribunal
 - d. National Court for Law and Trade

PART-B

Answer any THREE questions. Each answer carries EIGHT marks.

[8x 3=24]

11. Distinguish between Memorandum and Articles of Association.
12. Define NCLT. Discuss the constitution and structure of the NCLT.
13. Distinguish between Private Company and Public Company.
14. What is Debenture? Explain the different types of Debentures.
15. Discuss on the rights and duties of a Director.

PART-C

Answer any THREE questions. Each answer carries TWELVE marks.

[12 x 3= 36]

16. Briefly explain the various stages of formation of a Joint Stock company.
17. Define Joint stock company and explain the nature of Joint stock companies.
18. State the qualifications to become Company Secretary. Explain the duties and responsibilities of a company secretary.
19. Explain share capital and various types of shares.
20. Discuss on the below C Suite Executives
(a) CEO (b) COO (c) CTO (d) CFO

PART- D

Answer the following question. It carries TEN marks

[10x1 = 10]

21. Ashbury Railway Carriage and Iron Co Ltd v Riche (1875)

Ashbury Railway Carriage and Iron Co Ltd v Riche (1875) LR 7 HL 653 is a UK company law case, which concerned the objects clause of a company's memorandum of association. Prior to this case, the position of a company performing a lawful activity, which is outside of the scope of its objects clause, was unclear. For the first time, the House of Lords laid the jurisprudence on this issue when it dealt with the Ashbury v Riche case.

The Ashbury Railway Carriage and Iron Company Ltd. was incorporated under the Companies Act 1862, and its memorandum, clause 3, stated that its object was to “to make or sell, or lend, or hire, railway carriages and wagons, and all kinds of railway plants, fittings, machinery, and rolling stock; to carry on the business of the mechanical engineers and the general contractors; to purchase and sell, as merchants, timber, coal, metals, or other materials; and to buy and sell any such materials on commission, or as agents.” And clause 4 stated that activities beyond the scope of clause 3 will need a special resolution.

But the company agreed to give Riche a loan to build a railway from Antwerp to Tournai in Belgium. Later, the company denied the agreement. Riche sued, and the company pleaded that the action was ultra vires

- a) What was the main legal issue in Ashbury Railway Carriage and Iron Co. Ltd. v. Riche?
- b) What were the facts leading up to the case?
