

Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 7 Short Questions Preparation

Q1. What are the contents of statutory report.

Ans 1: i- Total number of allotted shares.

Ans 2: ii- Cash received in respect of allotted shares.

Ans 3: iii- Names and addresses of directors, auditors managers and secretaries etc.

Q2. What is resolution and give its kinds.

Ans 1: The formal expression of opinion or desire of any meeting or assembly obtained by the majority votes of members is called "Resolution". There are two parts of resolution, first part explains the causes of resolution where as second part explains the decided matters of the meeting.

Q3. Which people cannot become the directors of company.

Ans 1: i- A minor.

Ans 2: ii- Person of unsound mind.

Ans 3: iii- A person convicted by a court of law for an offence involving moral turpitude.

Ans 4: iv- A person who does not give written declaration of becoming director

Ans 5: v- A person who is not a member of the company

Q4. What is meant by the statutory meeting and explain its main objectives.

Ans 1: Statutory meeting is the first meeting of the company's shareholders. The object of the statutory meeting is to inform the shareholders about the affairs of the company. At least 21 days before, a notice is issued by the secretary of company to all shareholders.

Q5. What is meant by company's meeting and give its types.

Ans 1: When the members of the company's gather at certain time and place to discuss the business and managing affairs it is called meeting of the company.

Ans 2: Types:

- i- Directors meeting.
- ii- Shareholders meeting.

Ans 3: * annual general meeting.

Ans 4: * Extra ordinary meeting.

Ans 5: * Statutory meeting.

Q6. What is meant by a director of company.

Ans 1: The shareholders who are the owners of the company do not participate in the affairs of management directly, but they elect their representative to run the business. These elected representatives are called "Directors of the company" and elected directors are collectively known as 'Board of Directors'

Q7. Define Statutory report of company.

Ans 1: i- Total number of Allotted shares.

Ans 2: ii- Total amount of cash received in respect of the allotted shares.

Ans 3: iii- Detail of company's receipts and payments.

Ans 4: iv- The names and addresses of the director chief executive, secretary, auditors etc.

Ans 5: v- Particulars of any business contract etc.

Q8. What is meant by Special resolution.

Ans 1: The resolution which is passed by 3/4 majority of the shareholders is called special resolution a 21 days notice along with a copy of resolution must be sent to each member

Q9. What is the meant by extra ordinary meeting and its objectives.

Ans 1: According to section 133 of Companies Act 2017, all general meetings other than the statutory meeting and annual general meeting are called extra ordinary general meetings. these meetings are to be called in following circumstances.

Ans 2: 1- To solve important issues.

Ans 3: 2- To issue debenture

Ans 4: 3- To alter company's capital

Q10. Explain the steps involved in the winding up of company by the consent of creditors.

Ans 1: i- Statutory declaration ii - General meeting

Ans 2: iii- Statement of company's affairs iv- Intimation to registrar

Ans 3: v- Appointment of liquidator vi Inspection committee

Ans 4: vii- Duties of the liquidators viii- Final meeting
