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21. Job costing: Job costing is used for comparatively smaller works of shorter duration. Printing presses, machine tools manufactures, furniture makers, repair shops, foundries etc – ascertain the cost and profit or loss of each job separately.

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II – B. COM - BUSINESS STATISTICS

2 MARKS QUESTIONS

1. Raw data: When the investigator has collected the data and he has not arranged the same in a systematic manner it is called raw data.

2. Individual series: Under this method the values of all the units are shown separately.

3. Discrete series: In a discrete series, data are presented in a way that the exact measurement of the units are clearly indicated. There is definite difference between the variables of difference groups of items. Each class is distinct and separate from the other classes

4. Median: Middle value of the group of data arranged in an order either on an ascending order or descending order. 5. Mode: The mode of a distribution is the value at the point around which the items tend to be most heavily concentrated. It may be regarded as the most typical of a series of values

6. Harmonic Mean: Harmonic mean of a given series is the reciprocal of the arithmetic average of the reciprocals of the values of its various items.

7. Parts of Table: Table number, Title, Head notes, Body, Footnotes and Source.

8. Objects of Classification: Similarities, logical and understanding, mental pictures of objects of perfection, comparative study possible, remove irrelevant details from the data, clear the underlying unity amongst different items

9. Average: A n average value is a single value within the range of the data that is used to represent all the values in the series. Since an average is somewhere within the range of the data.

10. Tabulation: It involves the orderly and systematic presentation of numerical data in a form designed to elucidate the problem under consideration.

11. Histograms: It consists of a number of rectangles, those are vertically adjacent. Class intervals are taken on X-axis and frequencies on Y axis rectangles are formed of the height proportionate to their frequencies.

12. Dispersion: The degree to which numerical data tend to spread about an average value is called the variation or dispersion of the data.

13. Standard Deviation: It is a superior to other measures because of its merits showing the variability which is important for statistical data – it enjoys many qualities of a good measure of dispersion.

14. Objectives of the Measure of Dispersion To find out the reliability of an average To control the variation of data from the central value To compare two or more set of data regarding their variability

15. Skewness: It means asymmetrical distribution.

16. Formula for co efficient of skewness: 3 (Mean – Median) / S.D Mean - Mode 17. Co-efficient of Skewness ---------- Standard Deviation

18. Mean Deviation: Average deviation is the average amount of scatter of the items in a distribution from either the mean or the median, ignoring the signs of the deviation. The average that is taken of the scatter is an arithmetic mean, which account for the fact that this measure is often called the mean deviation.

19. Merits of Rank Correlation: Shape the distribution, parameter of the population – it cannot be applied to the variable frequency distribution.

20. Regression: It is a statistical technique through which the estimation of unknown variable from the known variable.

21. Correlation: If the relationship is of quantitative nature, the appropriate statistical tool to discover and measure that relation and express it in the form of a brief formula, is correlation

22. Simple regression: Only two variable are studies to find the regression relationships, it is known as simple regression analysis – one is treated as an independent variable while the other as dependent one

23. Index number: It is a relative number which expresses the relationship between two figures over a period of time. It is ratio of changes between variables over a period of time.

24. Price Index: It is an index number which compares the prices for a group of commodities at a certain time or at a place with prices ofa base period.

25. Time Series: A time series consists of data arranged chronologically.

26. Seasonal variations: A recurrent pattern of change within the period that results from the operation of forces connected with climate at different times of the period. The seasonal variations are usually measured in an interval within the calendar year.

27. Uses of index numbers: measure the relative change, better comparison, good guides, economic barometres

28. Types of Index number: Price Index, Quantity Index and Value Index

29. Components of time series: Secular trend, seasonal variations, cyclical variations and irregular variations.

30. Uses of trend: Facilitate comparison, to predict future behavior, forecasting the trade cycle

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COMPANY LAW – II B.COM

PART A - 2 MARK QUESTIONS

COMPILED BY : R.ANGAYARKANNI, Asst.prof. of Commerce

1. **What is a Joint stock company?**

A company whose stock is owned jointly by the shareholders.
The companies in India are governed by the Indian Companies **Act**, 1956. The **Act** defines a company as an artificial person created by law, having a separate legal entity, with perpetual succession and a common seal.

2. Name various Kinds of companies ?

The companies may be broadly classified as **incorporated** and **unincorporated** companies. They are classified as follows:

Types Of Companies

There are different types of company, which can be classified on the basis of formation, liability, ownership, domicile and control.

1. Types Of Companies On The Basis Of Formation Or Incorporation

a. Chartered Companies
Companies which are incorporated under special charter or proclamation issued by the head of state, are known as chartered companies. The Bank Of England, The East India Company, Chartered Bank etc. are the examples of chartered companies.

b. Statutory Companies
Companies which are formed or incorporated by a special act of parliament, are known as statutory companies. The activities of such companies are governed by their respective acts and are not required to have any Memorandum or Articles Of Association.

c. Registered Companies
Registered companies are those companies which are formed by registration under the Company Act. Registered companies may be divided into two categories.

** Private Company*
A company is said to be a private company which by its Memorandum of Association restricts the right of its members to transfer shares, limits the number of its members and

does not invite the public to subscribe its **shares or debentures**.
** Public Company*
A company, which is not private, is known as public company. It needs minimum seven persons for its registration and maximum to the limit of its registered capital. There is no restriction on issue or transfer of its shares and this type of company can invite the public to purchase its shares and debentures.

2. Types Of Companies On The Basis Of Liability
Registered companies are divided into two types, namely, companies having limited liability and companies having unlimited liability.

a. Companies Having Limited Liability
This liability can be limited in two ways:
** Liability Limited By Shares*
These are those companies in which the capital is divided into shares and liability of members (share holders) is limited to the extent of face value of shares held by them. This is the most popular class of company.
** Liability Limited By Guarantee*
These are such companies where shareholders promise to pay a fixed amount to meet the liabilities of the company in the case of liquidation.

b. Companies Having Unlimited Liability
A company not having any limit on the liability of its members as in the case of a partnership or sole trading concern is an unlimited company. If such a company goes into liquidation, the members can be called upon to pay an unlimited amount even from their private properties to meet the claim of the creditors of the company.

3. Types Of Companies On The Basis Of Ownership

a. Government Companies
A government company is a company in which at least 51% of the paid up capital has been subscribed by the government.

b. Non-government Companies
If the government does not subscribe a minimum 51% of the paid up capital, the company will be a non-government company.

4. Types Of Companies On The Basis Of Domicile

a. National Companies

A company, which is registered in a country by restricting its area of operations within the national boundary of such country is known as a national company.

b. Foreign Companies
A foreign company is a company having business in a country, but not registered in that country.

c. Multinational Companies
Multinational companies have their presence and business in two or more countries. In other words, a company, which carries on business activities in more than one country, is known as multinational company.

5. Types Of Companies On The Basis Of Control

a. Holding Companies
A holding company is a company, which holds all, or majority of the share capital in one or more companies so as to have a controlling interest in such companies.

b. Subsidiary Company
A company, which operates its business under the control of another company (i.e holding company), is known as a subsidiary company.

3.What is a **COMPANY?**

A **company** is an artificial person created by law. A **company means** a group of persons associated together for the attainment of a common end, social or economic. Section 3(1)(i) of the **Companies Act**, **1956** defines a **company** as: "a **company** formed and registered **under** this **Act** or an existing company.

Under the new **Act**. **Section 2**(**20**) of the **2013 Companies Act** defines the term "**company**" to mean "a **company** incorporated under the **Companies Act 2013** or any previous **company** law."

4.Who is a **Promoter** of company?

A ***promoter*** conceives an idea for setting-up a particular business at a given place and performs various formalities required for starting a ***company***. A ***promoter*** may be a individual, firm, association of persons or a ***company***. The persons who assist the ***promoter*** in completing various legal formalities are professional people.

The term '***promoter***' has been defined under section 2(69) of the ***Companies*** Act, 2013. As per this section it refers to a person-. a) Who has been named as such in the prospectus or is identified by the ***company*** in the annual return;. b) Who has control over the affairs of the ***company***, directly or indirectly.

5.Memorandum of association.

A **Memorandum of Association** (MOA) is a legal document prepared in the formation and registration process of a limited liability company to define its relationship with shareholders.

6.Who are the subscribers to the memorandum of association?

'**Subscribers**' are the first shareholders or guarantors in a limited company, i.e. the people who agree to set up the company and whose names are stated on the **memorandum of association**. Shareholders and guarantors are also known as 'members', regardless of when they join a company.

7. Articles of Association

The **Articles of Association** is a document that contains the purpose of the company as well as the duties and responsibilities of its members defined and recorded clearly. It is an important document which needs to be filed with the Registrar of Companies.
An Articles of Association must contain all the information regarding who holds the power distribution among directors, officers, shareholders etc, who holds right of vote and veto, the nature and form in which the primary business of the company is to be carried out, the structure for the internal corporate governance of the company, the means of internal review by which executive decisions are made, the bodies in whom authority to make such decisions in the last resort finally rest, the procedure and number or percentage of votes required to establish a majority and make some key decisions etc. Besides this the rights and duties of the members of the company, their names and number, as well as other details relating to the contributed share capital are included.

8.What is a Prospectus ?

Sec. 2(36) of the ***Companies*** Act describes a ***prospectus*** as “any document issued as a ***prospectus*** and includes any notice, circular, advertisement or other document inviting deposits from the public or inviting offers from the public for the subscription or purchase of any share in, or debentures of a body corporate.”

9. What is Statement in lieu of prospectus ?

A ***statement in lieu of prospectus*** is defined as 'a public document prepared in the second schedule of***companies*** ordinance by every such public ***company*** which does not issue a prospectus on its formation by filing with the registrar before allotment or shares of debentures, and signed by every person who is named therein.

10. What do you mean by shares ?

A unit of ownership that represents an equal proportion of a company's capital. It entitles its holder (the shareholder) to an equal claim on the company's profits and an equal obligation for the company's debts and losses.

11. What is statutory meeting ?

(1) Every public company that is a limited company and has a share capital **shall**, within a period of not less than one month and not more than three months after the date at which it is entitled to commence business, hold a general **meeting** of the members of the company to be called the "**statutory meeting**".

12. What is Statutory report ?

Statutory report is a statement drafted by the directors of a public limited company to forward to the shareholders at least 21 days before the date of meeting. A copy is also sent to the registrar of joint stock companies .

According to Section 165(4), the ***statutory report*** must be certified as correct by not less than two directors; one of whom ***shall*** be the managing director, if any. The auditors of the company ***would*** then certify it as correct regarding the shares allotted, cash received in respect of such shares and the receipts and payments.

13. What is an Annual General meeting?

An annual **general meeting** (AGM) is a mandatory yearly gathering of a company's interested shareholders. At the AGM, the directors of the company present an annual report containing information for shareholders about the company's performance and strategy.

14. Company Meetings

A 'Meeting' may be defined as any gathering, assembly or coming together of two or more persons for the transaction of some lawful business of common concern. Like any other association, a company must also hold meetings for its proper functioning. The shareholders or members of a company, who are the real owners, must have the opportunity to collectively discuss the affairs of the company and to exercise their ultimate control over the management of the company. Similarly, the directors, in whom the management of the company is vested, must come together periodically to function as a team and take collective decisions regarding the business policy of the company and to exercise overall supervision over the management. Thus, the management of a company is really carried on through meetings of shareholders and directors and the resolutions adopted therein.

Requisites of a Valid Meeting

If the business transacted at a meeting is to be valid and legally binding, the meeting itself must be validly held. A meeting will be considered to be validly held, if:

1. It is properly convened by proper authority and by a proper notice.
2. It is properly constituted with requisite quorum of members and by duly elected Chairman.
3. It is properly conducted, i.e. according to rules.

Proper Authority to Convene Meeting

A meeting must be convened or called by a proper authority. Otherwise it will not be a valid meeting. The proper authority to convene general meetings of a company is the Board of Directors. The decision to convene a general meeting and issue notice for the same must be taken by a resolution passed at a validly held Board meeting.

Notice of Meetings

A meeting in order to be valid, must be convened by a proper notice issued by the proper authority. It means that the notice convening the meeting be properly drafted according to the Act and the rules, and must be served on all members who are entitled to attend and vote at the meeting.

Length of Notice: For general meeting of any kind at least 21days notice must be given to members. A shorter notice for Annual General Meeting will be valid, if all members entitled to vote give their consent. The number of days in each case shall be clear days, i.e. the days must be calculated excluding the day on which the notice is issued, a day or so for postal transit, and the day on which the meeting is to he held.

Contents of Notice: Every notice of meeting of a company must specify the place and the day and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

1. **Place of Meeting:** Every annual general meeting of a company must be held either at the registered office of the company or at some other place within the same city, town or village in which the registered office of the company is situated.
2. **Day of Meeting:** Every annual general meeting of a company must be held on a day that is not apublic holiday.
3. **Time of the Meeting:** Every annual general meeting shall be called for a time during the business hours of the company.

Quorum of Meetings

Quorum is the minimum number of members who must be present at a meeting as required by the rules. Any business transacted at a meeting without a quorum is invalid. The main purpose of having a quorum is to avoid decisions being taken at a meeting by a small minority which may be found to be unacceptable to the vast majority of members.

The number constituting a quorum at any company meeting is usually laid down in the Articles of Association. In the absence of any provision in the Articles, the provisions as to quorum laid down in the Companies Act, 1956 (under Sec.174) will apply. The Articles may provide for a larger quorum, but it cannot provide for a smaller quorum than that laid down in the Act. Sec.174 of Companies Act provides that the quorum for general meetings of shareholders shall be five members personally present in case of a public company; and two members personally present for any other company.

Agenda of Meetings

The word 'agenda' literally means 'things to be done'. It refers to the programme of business to be transacted at a meeting. Agenda is essential for the systematic transaction of the business of a meeting in the proper order of importance. It is customary for all organisations to send an agenda along with the notice of a meeting to all members. The business of the meeting must be conducted in the same order in which the items are placed in the agenda and the order can be varied only with the consent of the meeting.

Proxy

The term 'proxy' is used to refer to the person who is nominated by a shareholder to represent him at a general meeting of the company. It also refers to the instrument through which such a nominee is named and authorised to attend the meeting.

Chairman of a Meeting

'Chairman' is the person who has been designated or elected to preside over and conduct the proceedings of a meeting. He is the chief authority in the conduct and control of the meeting.

Statutory Meeting of a Company

Statutory Meeting is the first meeting of the shareholders of a public company. It must be held within a period of not less than one month nor more than 6 months from the date at which the company is entitled to commence business. It is held only once in the lifetime of a company. A private company and a company limited by guarantee and not having a share capital need not hold such a meeting.

The **purpose of the statutory meeting** with its statutory report is to put the shareholders of the company in possession of all the important facts relating to the new company, what shares have been taken up, what moneys received etc. This also provides an opportunity to the shareholders of meeting to discuss the whole situation, the management and prospects of the company.

The Board of Directors must, atleast 21 days before the day on which the meeting is to be held, forward a report, called the 'statutory report' to every member of the company. This report

contains all the necessary information relating to formational aspects of the company for the information of the shareholders.

Contents of Statutory Report

1. The total number of shares allotted, distinguishing those allotted as fully or partly paid up otherwise than in cash, the extent to which they are partly paid up, the consideration for which they have been allotted and total amount received in cash;
2. An abstract of the receipts and payments under distinctive heads upto a date within seven days of the date of report;
3. An account of estimate of the preliminary expenses of the company.
4. The names, addresses and occupations of the managing director, director, and also its secretary and auditors of the company;
5. The particulars of any contract which, and the modification or proposed modification of which, are to be submitted to the meeting for approval;
6. The extent to which underwriting contracts, if any, have not been carried out and the reason therefor;
7. The arrears, if any, due on calls from directors, managing director or manager; and
8. The particulars of any commission or brokerage paid, or to be paid, in connection with the issue or sale of shares to any director, managing director or manager.

Certification and Filing of Statutory Report

The **Statutory Report** must be carried as correct by not less than two directors of the company including the managing director, if there is one. After the **statutory report** has been certified by the directors, the auditors of the company must also certify the report in respect of the number of shares allotted, cash received on such shares and the receipts and payments of the company upto a date within seven days of the report. After the **statutory report** has been sent to the members along with the notice, a certified copy of the report must be filed with the Registrar of Companies for registration forthwith.

Consequences of Default

If a company makes default in holding the **statutory meeting** within the prescribed period or in issuing and filing the statutory report according to the provisions of Sec.165 of the Act, every director or other officer of the company in default will be liable to pay fine which may extend to

Rs.500. Moreover, a company may be wound up by the Court, if default is made in delivering the statutory report to the Registrar or in holding the statutory meeting.

Motions and Resolutions

A **'motion'** is a definite proposal put before a meeting for its consideration and adoption. A **'resolution'** on the other hand is the formal expression of the decision of a meeting. When a **motion** has been duly voted upon and passed by a majority, with or without amendment, it is called a **'resolution'**. A **resolution** once adopted and recorded in the minutes becomes the official decision of the meeting and cannot be rescinded or revoked except by the consent of two-thirds majority in a meeting specially called for the purpose.

Kinds of Resolutions

1. Ordinary Resolution

A resolution which is passed by a simple majority of votes cast by members present in person or by proxyis called 'ordinary resolution'. Simple majority means that the votes cast in favor of the resolution must be at least one more than 50 per cent of the votes cast.

An ordinary resolution must satisfy the following conditions:

1. It must be moved at a general meeting of which due notice has been given
2. The voting may be on show of hands or by poll
3. Voting must be by members who are entitled to vote in person or by proxy, if allowed; and
4. The votes cast in favor of the resolution, including the casting vote of the chairman, if any, must exceed the votes, cast against the resolution.

Usually, ordinary resolutions are required to transact 'ordinary business'. In addition, ordinary resolutions are sufficient to transact following types of special business:

- Adoption of statutory report
- Removal of director from office before the expiry of his term
- Alteration of share capital
- Issue of shares at a discount
- Appointment of sole selling agents.

2. Special Resolution

A special resolution is one which is required for transacting special business and is required to be passed by a three-fourths majority of members present and vote in the meeting.

A special resolution in order to be valid under the law must satisfy the following conditions:

1. The notice of the general meeting must have been duly given as required under the Act;
2. The intention to propose the resolution as a special resolution must have been duly specified in the notice calling the general meeting or other intimation of such intention must have been given to members;
3. The voting may be on show of hands or on poll;
4. Votes are cast by members who are entitled so to do, either in person or by proxy; and
5. Votes cast in favor of the resolution are not less than three times the number of votes, if any, cast against the resolution.

Special resolution is required to transact the following types of business:

- To change of name of the company
- To change of the domicile of the company
- To change the object clause
- To alter Articles of Association
- To create reserve capital
- To Reduce share capital
- To pay interest out of capital
- To decide winding up of the company

3. Resolutions Requiring Special Notice

Section 190 of the Companies Act, 1956 provides as follows:

1. Where by any provision contained in this Act or in the Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the company not less than 14 days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
2. The company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof, either by

advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles, not less than seven days before the meeting.

The Companies Act has specified certain types of business where such a resolution is required. If a member wants to move such a resolution, he must give special notice to the company of his intention to move such a resolution at least 14 days before the date of the meeting. On receipt of such notice, the company must give notice of the resolution to its members at least 7 days before the meeting, in the same manner as it gives notice of the meeting. If it is not practicable, notice must be given through advertisement in newspapers or any other mode allowed by the Articles. The resolution proposed to be moved may be an ordinary resolution or special resolution.

According to Companies Act, a resolution requiring special notice is required to transact the following types of business:

1. Removal of a director before the expiry of his term or to appoint another director in place of a director so removed.

2. Appointment as auditor of a person other than the retiring auditors or deciding that retiring auditor shall not be re-appointed.

Articles may provide for additional matters for which special notice is required.

Who is a Director of company?

Directors of a Company: A company is a legal entity and does not have any physical existence. It can act only through natural persons to run its affairs. The person, acting on its behalf, is called Director.

Otherwise, **director** is the head of an organization, either elected or appointed, who generally has certain powers and duties relating to management or administration. A corporation's board of **directors** is composed of a group of people who are elected by the shareholders to make important **company** policy decisions.

Minutes of a Meeting

Meeting **minutes** keep an official account of what was done or talked about at formal meetings, including any decisions made or actions taken. They are taken during a formal meeting of the board of directors or shareholders of a **corporation**, such as initial and annual meetings.

Winding up of a Company

The **winding up** or liquidation of a **company** is the process by which a **company's**assets are collected and sold in order to pay its debts. Any monies remaining after all debts, expenses and costs have been paid off are distributed amongst the shareholders of the **company**.

Modes of Winding up of a Company

The modes of winding up may be discussed under the following three heads, namely:- 1. Compulsory winding up by the court. 2. Voluntary winding up without the intervention of the court. 3. Voluntary winding up with the intervention of the court i.e., under the supervision of the court.

Mode # 1. Compulsory Winding Up by the Court:

Winding up of a Company by an order of the court is called the compulsory winding up. Section 433 of the Companies Act lays down the circumstances under which a Company may be compulsorily wound up.

They are:

a) If the Company has by special resolution, resolved that the Company may be wound up by the court.

(b) If default is made in delivering the statutory report to the Registrar or in holding the statutory meeting.

(c) If the Company does not commence its business within a year from its incorporation or suspends it for a whole year.

(d) If the number of members is reduced, in the case of a public Company below seven, and in the case of a private company below two.

(e) If the Company is unable to pay its debts.

(f) If the court is of the opinion that it is just and equitable that the company should be wound up.

Persons Entitled to Apply for Liquidation:

The Petition for winding up of a Company may be presented by any of the following persons (Sec. 439):

(1) The Company.

(2) The creditors which include contingent creditors, prospective creditors, secured creditors, debenture holders, or a trustee for debenture holders.

(3) The contributories – comprise present and past shareholders of a Company (Secs. 426 and 428).

(4) The Registrar.

(5) Any person authorised by the Central Government on the-basis of report of inspectors.

Mode # 2. Voluntary Winding Up:

A voluntary winding up occurs without the intervention of the court. Here the Company and its creditors mutually settle their affairs without going to the court.

This mode of winding up takes place on:

(a) The expiry of the prefixed duration of the Company, or the occurrence of event whereby the Company is to be dissolved, and adoption by the Company in general meeting of an ordinary resolution to wind up voluntarily; or

(b) The passing of a special resolution by the Company to wind up voluntarily.

Section 488 provides for two types of voluntary winding up;

(a) Member's voluntary winding up and

(b) Creditor's voluntary winding up.

(a) Member's Voluntary Winding Up:

This type of winding up occurs only when the Company is solvent. It requires a declaration of the Company's solvency at the meeting of Board of Directors. The declaration must specify the director's opinion that the Company has no debt or it will be able to pay its debts in full within three years of the commencement of the winding up.

The company in general meeting must then appoint a liquidator and fix his remuneration. With his appointment, all the powers of the Board and the managing director or manager cease unless the company in general meeting sanctions otherwise.

The liquidator must annually call a general meeting to lay before it an account of his dealings and the conduct of the winding up.

When the company's affairs are fully wound up, he must:

(a) Prepare an Account – Liquidator's Final Statement of Account – to show the disposition and disbursement of the company's property;

(b) Call a final meeting of the company of laying the final account before it, and

(c) Send a copy of the account and a return of the meeting to the Registrar of Companies. The company thereafter dissolves.

(b) Creditor's Voluntary Winding Up:
It occurs in the absence of declaration of solvency i.e., when the company is insolvent. Hence, the Act empowers the creditors of dominate over the members in this mode of winding up so as to effectively protect their interest. It requires the company to hold the creditors' meeting wherein the Board must make a full statement of the company's affairs together with a detailed list of creditors including their estimated claims.

Both the members and creditors at their respective meeting nominate a liquidator and on their disagreement, the creditor's nominee is appointed as the liquidator. All the powers of the Board then cease unless the creditor's meeting sanctions otherwise.

The liquidator must annually call here not only the members' meeting but also the creditors' meeting to lay an account of his dealings and the conduct of the winding up. So also, he must call a final general meeting of the members and creditors for the company's dissolution as in the case of member's winding up.

Mode # 3. Winding Up Subject to Supervision of the Court:
Windings up with the intervention of the court are ordered where the voluntary winding up has already commenced. As a matter of fact, it is the voluntary winding up but under the supervision of the court. A court may approve a resolution passed by the Company for voluntary winding up but the winding up should continue under the supervision of the court.

The court will issue such an order only under the following circumstances:
(a) If the resolution for winding up was obtained by fraud by the company; or

(b) If the rules pertaining to winding up are not being properly adhered to; or

(c) If the liquidator is found to be prejudicial or is negligent in releasing the assets of the company.

The Court may exercise the same powers as it has in the case of compulsory winding up under the order of the court.