

Time: 2½ hrs.

- Note:
1. All questions are compulsory with internal options.
  2. Figures to the right indicate full marks.
  3. Draw neat diagram wherever necessary.

**Q. 1 (A) Fill in the blanks with the correct answer from the alternatives given below. (08)**  
**( Attempt any 8)**

- (1) A company may be formed for any lawful purpose by \_\_\_\_\_ or more persons, where the company to be formed is to be a public company.
  - a) two
  - b) seven
  - c) six
  - d) three
- (2) "Financial year", in relation to any company or body corporate, means the period ending on the \_\_\_\_\_ day of March every year.
  - a) 30<sup>th</sup>
  - b) 31<sup>st</sup>
  - c) 20<sup>th</sup>
  - d) 1<sup>st</sup>
- (3) \_\_\_\_\_ company is incorporated outside India.
  - a) Domestic
  - b) Small
  - c) Foreign
  - d) One Person
- (4) Securities Premium can not be applied :
  - a) For paying dividend to members
  - b) For issuing bonus shares to members
  - c) For writing off preliminary expenses of company
  - d) For writing off discount on issue of debentures
- (5) Private placement money cannot be accepted in \_\_\_\_\_
  - a) Cheque
  - b) demand draft
  - c) debit card
  - d) cash
- (6) \_\_\_\_\_ refers to going beyond the powers granted by Memorandum and Articles of association.
  - a) Ultra vires
  - b) illegal action
  - c) unlawful move
  - d) window dressing
- (7) There are \_\_\_\_\_ clauses in the Memorandum of Association.
  - a) 7
  - b) 6
  - c) 8
  - d) 9
- (8) It is not compulsory for \_\_\_\_\_ company to form its articles of association.
  - a) public
  - b) private
  - c) local
  - d) foreign
- (9) The company needs to obtain prior permission from the central government when it changes the address of its registered office from \_\_\_\_\_.
  - a) one city to another city
  - b) with in the same city
  - c) one state to another
  - d) one country to another country.
- (10) Which of the following are kinds of Share capital?
  - a) equity shares and bonds
  - b) preference shares and debentures
  - c) equity shares and debentures
  - d) equity shares and preference shares

**(B) State whether the following statements are true or false. ( Attempt any 7) (07)**

- (1) Memorandum of Association communicates the Aims and Objectives of the organisation.
- (2) From the Date of Incorporation, the subscribers to the memorandum shall become members of the company.
- (3) Articles of Association are divided into 6 clauses.
- (4) A private company may issue securities through prospectus.
- (5) It is compulsory for the public to have a demat account for trading in shares.
- (6) A share warrant is a duplicate share certificate.
- (7) OPC stands for One Person Company.
- (8) Transfer of shares means conversion of shares.
- (9) Equity shareholders are the owners of the company.
- (10) Preference shareholders are the owners of the company.

**Q.2 A Distinguish between Transfer and Transmission of shares. (07)**

**B Explain Section 8 Company. (08)**

**OR**

**Q.2 P Define a company. Explain the features of a company in detail. (15)**

**Q.3 A Explain the process of Incorporation of the Companies. (07)**

**B Distinguish between Memorandum of Association & Articles of Association. (08)**

**OR**

**Q.3 P Distinguish between Private and Public Company. (07)**

**Q Explain the Clauses of Memorandum of Association. (08)**

**Q.4 A Explain Private placement Explain the Rules to private placement (07)**

**B Need for Private placement. (08)**

**OR**

**Q.4 P Define Prospectus. Explain requirements of the prospectus. (07)**

**Q Explain Liability for mis-statement in a prospectus. (08)**

**Q.5 A Define Share capital. Explain the kinds of share capital. (07)**

**B Voting rights of the shareholders (08)**

**OR**

**Q.5 P Write short notes on ( Attempt any 3) (15)**

- (1) Articles of Association
- (2) Share certificate
- (3) Sweat Equity share
- (4) Bonus shares & Right Issue
- (5) One Person Company

**---X---**