

- 1) All Questions to be attempted with internal choice
- 2) Figures to right indicate marks
- 3) Duration :

**Q.1**

**A] State whether the statements are True or False (Any 8) (8)**

1. A company as per the Indian Companies Act, 2013 is not a separate legal entity distinct from its shareholders.
2. An Independent Director under the Indian Companies Act, 2013 must be a part of the company's management and should have a material pecuniary relationship with the company.
3. A private company in India can have unlimited members.
4. The Memorandum of Association of a company is a document that defines the relationship of a company with the shareholders.
5. A One Person Company (OPC) in India can be formed by a minimum of two people.
6. The Doctrine of Ultra Vires states that the acts of a company must be within the limits of powers conferred by its Memorandum of Association.
7. The Doctrine of Indoor Management protects the interests of the people dealing with a company against the company's internal irregularities.
8. A prospectus of a company is a legal document that invites the public to purchase the company's shares or debentures.
9. As per Indian Companies Act, 2013, the term 'Debentures' refers to the equity capital of a company.
10. As per the Indian Companies Act, 2013, a Small Company is one that has a paid-up share capital of more than 50 lakhs.

**B] Fill in the Blanks with appropriate answers (Any 7)**

**(7)**

1. A \_\_\_\_\_ company is one which restricts the right to transfer its shares.  
a) Public b) Private c) Government d) Holding
2. According to the Companies Act, 2013, a company is a \_\_\_\_\_.  
a) Non-legal entity b) Partial legal entity c) Legal entity d) None of the above
3. \_\_\_\_\_ shares are those shares that carry a preferential right both as to dividends and the repayment of capital.  
a) Equity b) Preference c) Deferred d) Sweat equity
4. A \_\_\_\_\_ Prospectus is one which is filed at any stage after the first offer of securities by the company.  
a) Shelf b) Deemed c) Red herring d) Abridged
5. The minimum number of members in a private company is \_\_\_\_\_.  
a) 7 b) 3 c) 2 d) 1
6. The Companies Act 2013 mandates the appointment of at least one \_\_\_\_\_ director in the Board of Directors of certain types of company.  
a) Nominee b) Women c) Independent d) Foreign
7. The liability of the members of a company is \_\_\_\_\_ in case of a company limited by shares.  
a) Unlimited b) Limited c) Joint d) Several
8. The \_\_\_\_\_ of a company contains the rules, regulations, and bye-laws for the internal management of its affairs.  
a) Memorandum of Association b) Articles of Association c) Certificate of Incorporation d) Prospectus
9. \_\_\_\_\_ is an offer of securities by a company to a select group of persons.  
a) Rights Issue b) Bonus Issue c) Private Placement d) Public Issue
10. The main objectives for which the company is formed is mentioned in the \_\_\_\_\_ of the company.  
a) Articles of Association b) Certificate of Incorporation c) Memorandum of Association d) Prospectus

**Q.2**

- a) Describe characteristics of company. (8)
  - b) Write a note on Independent director. (7)
- OR**
- c) What do you understand by lifting up of corporate veil. (8)
  - d) Write a note on restrictions relating to a Private Company. (7)

**Q.3**

- a) Define Prospectus and explain essentials of it. (8)
  - b) Write a note on Civil Liability for mis-statement in prospectus. (7)
- OR**
- c) Describe matters to be stated in Prospectus. (8)
  - d) Write a note on Shelf Prospectus and Red Herring Prospectus. (7)

**Q.4**

- a) Discuss the concept of Private Placement. (8)
  - b) Describe the rules as to Private Placements. (7)
- OR**
- c) Write a note on Qualified Institutional Buyer. (8)
  - d) Describe procedure to be followed by the Company for Private Placement offer. (7)

**Q.5**

- a) Write a detailed note on Preference Share Capital. (8)
- b) Describe the concept of Sweat Equity Share. (7)

**OR**

**Write Short Notes (Any Three of the Following)** (15)

- a) Small Company
- b) Conversion of Private Company into Public Company
- c) Registered office of a company
- d) Certificate of Shares
- e) Debentures

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