

N.B. : 1. All questions are compulsory, subject to internal choice.
2. Each question carries 15 marks.

Q.1 A. State with reasons if the following are True or False. (10)

1. There is no statutory limit to the maximum number of member in a public company.
2. FEMA has replaced FERA.
3. A company may make an application of listing for its issues after it has made a public issue.
4. All void agreements are not necessarily illegal.
5. A private company must have at least 3 directors.

B. Answer the following terms in One sentence. (5)

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|---------------------------|------------------------------|
| 1. Depository Participant | 2. Memorandum of Association |
| 3. Demutalization | 4. FEMA |
| 5. Consensus - ad - idem | |

OR

Q.1 A. Define a contract. What are the essential elements of a valid contract? (8)
B. Define fraud and point out its main elements. (7)

Q.2 A. Define Contract of Indemnity. What are the rights of Indemnity Holder? (8)
B. Distinguish between Sale & An Agreement to Sale. (7)

OR

Q.2 A. Explain the doctrine of 'Caveat Emptor'. (8)
B. Define Negotiable Instrument. What are its characteristics? (7)

Q.3 A. What are the various types of Companies? Explain them in brief. (8)
B. Explain Current Account Transaction & Capital Account Transaction, as per FEMA. 1999. (7)

OR

Q.3 A. Explain Lock in requirements for promoter contribution as per SEBI Guidelines 2000. (8)
B. Distinguish between a Private Company and Public Company. (7)

Q.4 A. Explain clearly what is meant by negotiation. How it is effected and how does it differ from an assignment? (8)
B. Define a Private Company. State the privileges enjoyed by private companies as compared with public companies. (7)

OR

Q.4 Write Short Notes. (5 marks each) (15)

1. Securities - Section 2(h) of Securities Contracts (Regulation) Act, 1956
2. Prospectus
3. Bailment