

MARKS :75

DURATION : 2.30 HRS

OBJECTIVE QUESTIONS 15 MARKS

Q1 A) FILL IN THE BLANKS: (ANY 8)

8 MARKS

1)The term _____ refers to a company's initial or subsequent public offering of securities as well as a current shareholder's public offer to sell securities through the publication of a prospectus.

- 1) PROSPECTUS
- 2) PUBLIC OFFER
- 3) CIVIL LIABILITY

2) _____ refers to a memorandum that highlights key elements of a prospectus and provides investors with concise information to assist them make an investment choice fast

- 1) ABRIDGED PROSPECTUS
- 2) SHELF PROSPECTUS
- 3) DEEMED PROSPECTUS

3)A _____ is a legal entity formed by individuals, shareholders, or other companies to engage in business activities. It is an organization that sells goods or services to customers, with the primary goal of generating revenue and profits

- 1) MEMORANDUM OF ASSOCIATION
- 2) COMPANY
- 3) PROSPECTUS

4)How many options are there available for public firm for issuing securities.

- 1) PUBLIC PROSPECTUS
- 2) PRIVATE PLACEMENT
- 3) ALL THE ABOVE

5)A _____ shall takes steps to protect the interest of debenture holders.

- 1) DEBENTURE TRUSTEE
- 2) BOARD OF DIRECTORS
- 3) EMPLOYEE

6) The part of the authorised capital the company issues for raising capital is called the _____

- 1) PREFERENCE CAPITAL
- 2) SHARE CAPITAL
- 3) ISSUED CAPITAL

7) The _____ debentures are easily transferable.

- 1) BEARER DEBENTURE
- 2) REGISTERED DEBENTURE
- 3) NONE OF THE ABOVE

8) Which of the following is not a prospectus?

- 1) RED HERRING
- 2) 2)DEEMED
- 3) MOA

9) Full form of IDR is _____

- 1) INDIAN DEPOSITORY RECEIPT
- 2) INDIAN DEFICIT RETURN
- 3) INTERNATIONAL DEPOSITORY RECEIPT

10) _____ Debentures have a charge against certain assets of the issuing corporation.

- 1) SECURED DEBENTURES
- 2) UNSECURED DEBENTURES
- 3) ALL THE ABOVE

Q1 B) TRUE OR FALSE: (ANY7)

7 MARKS

- 1) Transfer of shares takes place during the life of the shareholders.
- 2) Registered debentures are easily transferable
- 3) A private placement offer may not be made to more than 250 individuals in a single financial year.
- 4) An article of association contains essential requirement of company's incorporation.
- 5) One-person company means a company which has only one employee in a company.
- 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.

Q2A) DEFINE PROSPECTUS AND WHAT ARE DIFFERENT TYPES OF PROSPECTUS? 8MARKS

Q.2B) DEFINE PROSPECTUS AND WHAT DOES A PROSPECTUS INCLUDE? 7MARKS

OR

Q2A) WHAT IS EQUITY SHARES? MENTION ITS MERIT? 8MARKS

Q.2B) WHAT IS EQUITY SHARES? EXPLAIN DEMERITS? 7MARKS

Q3A) EXPLAIN MEMORANDUM OF ASSOCIATION & CONTENT OF MEMORANDUM OF ASSOCIATION? 8MARKS

Q.3B) DISTINGUISH BETWEEN MEMORANDUM AND ARTICLE OF ASSOCIATION? 7MARKS

OR

Q3) EXPLAIN IN DETAIL IDR AND AUDITING STANDARDS? 15 MARKS

Q4) WHO ARE QUALIFIED INSTITUTIONAL BUYER(QIP)? DIFFERENCE BETWEEN OFFER FOR SALE AND QUALIFIED INSTITUTIONAL BUYER? 15 MARKS

OR

Q4) WHAT IS DEBENTURE OF COMPANY? DIFFERENCE BETWEEN SHARE AND DEBENTURE? 15 MARKS

Q5) WRITE SHORT NOTE ON (ANY 3) 15MARKS

a) VARIATION IN TERMS OF CONTRACT

b) TYPES OF PREFERENCE SHARE

c) ARTICLE OF ASSOCIATION

d) PROCEDURE TO ALTER MOA

e) MERITS OF PREFERENCIAL SHARES

OR

Q5) EXPLAIN TRANSFER & TRANSMISSION OF SECURITIES? DIFFERENCE BETWEEN TRANSFER AND TRANSMISSION OF SECURITIES?

15 MARKS