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**Presidency University**

**Bengaluru**

 **SCHOOL OF LAW**

**Make-Up Examinations, JULY 2024**

**Semester**: VII & IX SEM

**Course Code**: LAW305

**Course Name**: SECURITIES LAW

**Program:** BA, BBA, B.COM, LLB

**Date**: 08 JULY 2024

**Time**: 1:30 PM-4:30 PM

**Max Marks**: 100

**Weightage**: %

 **Instructions:**

1. *Read the all questions carefully and answer accordingly.*
2. *Do not write any matter on the question paper other than roll number.*
3. *x*

**Part A**

**Answer any 4 Questions. Each question carries 5 marks. (4Qx 5M= 20M)**

1. Differentiate between Equity share and Preference Share.

2. Write a Short note on Mutual Funds.

3. Write a Short note on Shares with Differential Voting Rights.

4. Differentiate between Primary Market and Secondary Market.

5. Write a short note on Stock Exchanges in India.

6. Discuss the different types of Financial Market.

**Part B**

**Answer any 4 Questions. Each question carries 10 marks. (4Qx10M=40M)**

7.  Critically analyze different types of Bonds and their Characteristics.

8. Critically analyze different types of Capital Market Investment Institutions at National and State Level.

9. What do you understand about the term Alternative Investment Funds? Who can not be considered as AIFs under SEBI (AIF) Regulations,2012.

10. Define Shares with Differential Voting Rights (DVR). What are the conditions for issue of Shares with differential voting rights under Companies Act 2013.

11. Discuss Qualified Institutional Buyers with reference to SEBI (ICDR) Regulations,2018.

12. Define Equity Shares.Discuss important characteristics of Equity Shares.

**Part C**

**Answer any 2 Questions. Each question carries 20 marks. (2Qx20M=40M)**

13. XYZ Ltd. is a well-established company looking to raise funds by issuing debentures. They want to understand the key features and implications of issuing debentures. Answer the following questions to help them gain clarity on this matter:

Define what a "debenture" is according to Section 2(30) of the Companies Act, 2013.List and explain three important features of a debenture.How do debenture holders differ from shareholders in terms of voting rights and the significance of the compulsory payment of interest on debentures, even in the absence of profits.What precaution should XYZ Ltd. take when issuing debentures to ensure compliance as per Companies Act 2013.

14. ABC Ltd. is a publicly listed company that wants to issue equity shares with differential rights as to dividend and voting, in accordance with the Companies Act, 2013. They are seeking to understand the conditions and requirements for issuing such shares.

What are the conditions prescribed by the Companies (Share Capital and Debentures) Rules, 2014, for issuing equity shares with differential rights and the significance of the requirement that the company should not convert its existing share capital with voting rights into equity share capital carrying differential voting rights and vice-versa. Describe the disclosures that need to be made in the explanatory statement for the notice of the general meeting regarding the issue of equity shares with differential rights. Why is it essential for the company to disclose specific details in the Board's Report for the financial year in which the issue of equity shares with differential rights was completed?

15. Company 'B' is considering issuing Foreign Currency Convertible Bonds (FCCBs) to raise capital for its expansion plans. The bonds have the following terms:

Issue Price of the Bond: $1,000

Coupon Rate: 2%

Maturity: 3 years

Convertible into equity shares at $800 per share

An investor is interested in subscribing to these FCCBs and has the option to convert them into equity shares at maturity or claim redemption. Advise the investor to make an informed decision.