

**3. Answer the following questions briefly :**

- (1) Give the meaning and definition of liquidation by members of company ?
- (2) Write down the modes of liquidation.
- (3) Explain statutory meeting and report of company.
- (4) Write down just and equitable reasons for compulsory liquidation.
- (5) Explain advertisement of resolution in the process of voluntary winding up.

**4. Answer the following questions point wise :**

- (1) Discuss, in detail, the circumstances for voluntary liquidation.
- (2) Discuss, in detail, the circumstances for compulsory liquidation by tribunal.
- (3) Discuss, in detail, the procedure for voluntary liquidation.
- (4) Give the meaning and procedure of voluntary liquidation by creditors.

## ABBREVIATIONS

### 1. ISSUE OF SHARES

ASBA	: Application Supported by Blocked Amount
SEBI	: Securities and Exchange Board of India
OFS	: Offer For Sale
IPO	: Initial Public Offer
FPO	: Follow on Public Offer
Retail Investor	: Investors whose share application money does not exceed ₹ 2,00,000
High Net Worth Inve.	: Individual investor whose share application money exceeds ₹ 2,00,000
Institutional Investor	: Institutions like Bank, Mutual Fund, Financial Institutions etc. who apply for shares and other securities.
Demat	: Dematerialised form of physical shares.
Escrow Bank Account	: Bank account opened by a bank for a specific purpose. e.g. for distribution of dividend, for issue of shares
Depository	: Institution or company which is authorised to open demat account and maintain securities in dematerised form.
Depository Participant	: Representatives of depository who are recognised by depository to open demat accounts. Generally they are recognised share brokers and financial institutions.
Lead Manager	: Intermediary who completes all legal procedures for issue of shares on behalf of the company.
Book Building	: It is a process of share issue, under which the price of shares issued is not decided in advance but bids are invited between floor price and cap price decided by the company. The price, for which highest number of bids are received, is decided as issue price of shares.
Lock-in-period	: The period during which there is restriction on free trade of shares issued.
Bid	: The issue price of shares is not decided in advance before issue of shares in a public issue made under book building process. However, the company decides the floor price and the cap price of shares. Bid is the price of share offered by bidders except retail investor at which they are willing to buy the shares is called as bid.

**Syndicate members** : They are members of recognised stock exchange on which the shares are proposed to be listed. They are important intermediaries in a public issue. Company appoints them for public issue of shares.

### 2. TRANSFER AND TRANSMISSION OF SHARE

**Demat Share** : Dematerialized share where physical shares are converted to electronic formation

**PSU** : Public Sector Unit

**NSDL** : National Securities Depository Limited

**CDSL** : Central Depository Services (India) Limited

**Instruction Slip** : A booklet issued by DP's agent to Demat Holder to authorize selling and purchasing of shares.

**Transfer** : To voluntarily waive rights of share to others.

**Receiver / Administrator** : In case of death, insolvency, lunacy of share holder, court appoints representative known as Receiver or Administrator.

**Transmission** : Compulsory transfer of share of Share

### 4. MEMBERSHIP

**HUF** : Hindu Undivided Family

### 5. DIRECTORS OF A COMPANY

**BOD** : Board of Directors

**DIN** : Directors Identification Number

**MD** : Managing Director

**SHRC** : Stake Holders Relation Committee

**MA** : Memorandum of Association

**AA** : Articles of Association

**Listed Company** : A Company registered in recognized share market

**Insider Trading** : Transactions are done on secret information of company

### 6. THE MEETINGS OF THE COMPANY

**FAGM** : First Annual General Meeting

**AGM** : Annual General Meeting

**EGM** : Extra Ordinary General Meeting