

Roll No. ....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 5

**NOTE :** Answer **ALL** Questions.

**PART-A**

1. Attempt the following questions :

- (a) “Every scheme of collective investment does not come under the purview of SEBI Act, 1992”. List the scheme or arrangement not covered under Collective Investment Scheme.
- (b) Novodit earns 10% on his investments in equity shares. He is considering a recently floated scheme of a Mutual Fund where the initial expenses are 6% and annual recurring expenses are expected to be 2%. How much the Mutual Fund Scheme should earn to provide a return of 10% to Novodit ?
- (c) Universe Airlines Ltd. a listed company is operating domestic and international flights from India. Recently a news is flashing that virus might be effecting the entire world and governments may advise people to stay at home till the situation improves. It is expected that share price will probably fall dramatically. To protect this an investor has bought the put option. He purchased one 3 months put (lot size 100 shares) with a striking price of ₹ 40 for ₹ 1 per share.  
Determine the investors’ ending position if the price of the stocks fall to ₹ 36 in 3 months.

(5 marks each)

*Attempt all parts of either Q. No. 2 or Q. No. 2A*

2. Explain the following :

- (a) Debt for Equity Swap
- (b) Flexi Cap Fund
- (c) IPO Grading
- (d) Bills rediscounting
- (e) Categories of Foreign Portfolio Investors.

*(3 marks each)*

*OR (Alternate question to Q. No. 2)*

- 2A. (i) As a Company Secretary, You are advised by the Managing Director to put up a note on Market Making.
- (ii) Briefly explain the parameters generally considered for rating of manufacturing companies.
- (iii) Is it mandatory to issue delivery instructions for securities to meet delivery obligations in demat mode in various scrips in a settlement/auction ? Critically examine.

*(5 marks each)*

3. (a) “An Alternative Investment Fund which has been granted registration under a particular category cannot change its category subsequent to the registration.” Elucidate the statement.

*(5 marks)*

: 3 :

- (b) What are the conditions under which a Company can make public issue of Non-convertible Redeemable preference shares ?  
(5 marks)
- (c) Explain the enhancement of overseas investment limits permitted for Mutual Funds vide SEBI's circular dated November 05, 2020.  
(5 marks)
4. (a) Recently RBI has allowed startup to raise External Commercial Borrowings (ECB) in view of growing need of funds for startup. Explain the main features regarding ECB facilities for startups.  
(8 marks)
- (b) Sunshine Builders Ltd. is a registered sponsor under SEBI (Infrastructure Investment Trusts) Regulations, 2014. The Company is planning for Public offer to meet the growing infrastructure demand in the country. Enumerate the guidelines regarding public issue of units of InvITs.  
(7 marks)

**PART-B**

5. (a) Distinguish between Fixed Price Process and Book Building Process.  
(4 marks)
- (b) "Depository is not permitted to carry out such activities which are not incidental to its activity as a depository." Comment.  
(4 marks)
- (c) To strengthen the regulatory framework relating to Securities Market Intermediaries, SEBI has notified amendments regarding Eligibility criteria, implementation services and fees chargeable by them, in respect of Investment Advisors. Outline the SEBI (Investment Advisors) (Amendment) Regulation, 2020 covering the requirement of above three aspects.  
(4 marks)

: 4 :

(d) “Apart from imposing penalty for violation of insider trading regulation, SEBI is empowered to issue some directions”. Comment.

(4 marks)

(e) “An issuer can offer specified securities at different prices”. Comment.

(4 marks)

*Attempt all parts of either Q. No. 6 or Q. No. 6A*

6. (a) An unlisted Company is planning for an IPO of equity shares. Your Managing Director asked your advice on the SEBI regulation governing fixation of face value of the share.

(b) “The key managerial personnel or promoters may have a chance of getting Unpublished Price Sensitive Information (UPSI) perpetually.” Is there any mechanism for trading in securities of the Company by the insiders under the SEBI Regulations ?

(c) The Adjudicating Officer appointed by SEBI to conduct an inquiry may impose penalty as he thinks fit without considering the impact of default. Examine the statement with reference to Securities Contracts (Regulations) Act, 1956.

(d) Explain briefly the scope of settlement proceedings under SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014.

(5 marks each)

: 5 :

*OR (Alternate question to Q. No. 6)*

**6A.** Write short notes on the following :

- (i) Qualified Institutional Buyer
- (ii) Banker to an Issue
- (iii) Person is deemed to be a connected person
- (iv) Powers of Securities Appellate Tribunal
- (v) Investor Protection Fund of Depositories.

*(4 marks each)*

————— o —————