

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

P A R T – A

(Answer Question No.1 which is compulsory
and any three of the rest from this part.)

1. (a) State, with reasons in brief, whether the following statements are true or false :

- (i) Cumulative convertible preference shares are not hybrid instruments.
- (ii) Equity linked saving schemes have lock-in-period of five years.
- (iii) A depository is an organisation like Reserve Bank of India.
- (iv) In basket trading system, investor buys or sells all the fifty scrips in one go.
- (v) Hedge funds employ their funds for speculative trading.

(2 marks each)

(b) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :

- (i) Direct and indirect control of virtually all aspects of securities trading is provided by _____.
- (ii) Tracking stock is a type of common stock that 'tracks' depending on _____.
- (iii) CAMEL model encompasses _____.
- (iv) As per SEBI regulations, capital adequacy requirement for merchant banker shall be a net-worth of not less than Rs. _____.
- (v) _____ are imposed on the scrip which witness abnormal price/volume movements.

(1 mark each)

2. (a) Write short notes on the following :

- (i) Corporate restructuring
- (ii) Trade to trade
- (iii) Margin trading
- (iv) Securities Appellate Tribunal.

(2 marks each)

- (b) Expand the following abbreviations:
- (i) DVP
 - (ii) EDIFAR
 - (iii) OMO.
- (1 mark each)*
- (c) What are the 'real estate mutual fund' schemes ? Explain their features.
- (4 marks)*
3. (a) Explain **any two** of the following terms in relation to securities reforms and developments in our country :
- (i) Corporate governance
 - (ii) Financial disclosures
 - (iii) Rolling settlement.
- (3 marks each)*
- (b) Write a note on 'treasury bills'.
- (5 marks)*
- (c) Explain briefly the following :
- (i) BOLT
 - (ii) NEAT.
- (2 marks each)*
4. (a) Distinguish between **any two** of the following :
- (i) 'Naked debentures' and 'secured debentures'.
 - (ii) 'Industrial revenue bonds' and 'commodity bonds'.
 - (iii) 'Indexed rate notes' and 'extendable notes'.
- (3 marks each)*
- (b) Describe briefly the risks involved in mutual funds.
- (4 marks)*
- (c) What do you mean by 'dematerialisation of securities' ? State its benefits.
- (5 marks)*
5. (a) Discuss the various functions of 'price monitoring'.
- (5 marks)*
- (b) State the procedure for buy-back of securities through stock exchange.
- (5 marks)*
- (c) Discuss the norms for registration of portfolio managers with the Securities and Exchange Board of India (SEBI).
- (5 marks)*

P A R T – B

(Answer ANY TWO questions from this part.)

6. (a) Explain the meaning of **any two** of the following in the context of international capital market :
- (i) Domestic custodian bank
 - (ii) Global depository receipts.
 - (iii) Overseas depository bank.
- (3 marks each)
- (b) What are the conditions for 'voluntary delisting of securities' ?
- (4 marks)
- (c) "In issuance of GDRs/FCCBs, pre-marketing exercise is a tool through which the syndicate members evaluate the prospects of the issue." Comment.
- (5 marks)
- (d) Who can access 'external commercial borrowings' (ECBs) under automatic route as per Reserve Bank of India ?
- (5 marks)
7. (a) Discuss briefly the provisions of the SEBI (Prohibition of Fraudulent and Unfair Practices Relating to Securities Market) Regulations, 1995 related to –
- (i) Misleading statements;
 - (ii) Market manipulations;
 - (iii) Dealings in securities; and
 - (iv) Prohibition on certain dealings in securities.
- (10 marks)
- (b) What are the common grievances of investors in India ? State the authorities which can be approached by an investor for redressal of these grievances.
- (10 marks)
8. Attempt **any four** of the following :
- (i) "PAN has to be the sole identifier number for all transactions in the securities market." Comment.
- (5 marks)

- (ii) State the activities stipulated under the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.
(5 marks)
- (iii) Explain the regulatory framework of debt market in India.
(5 marks)
- (iv) What is the lock-in-period requirement for promoters' contribution ?
(5 marks)
- (v) What are the rights of securities-holders in case of compulsory delisting of securities ?
(5 marks)

-- o --