

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

## PART – 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) Euro-convertible bonds are usually issued as secured obligation of the borrower.
  - (ii) Market making facility is mandatory to provide liquidity.
  - (iii) Stock Exchange is a self regulatory organisation recognised by SEBI.
  - (iv) A co-operative society can offer a collective investment scheme.
  - (v) Consent order means an order settling administrative or civil proceedings.

*(2 marks each)*

- (b) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :
- (i) Zero coupon bonds are issued at a discount to face value and redeemed at \_\_\_\_\_.
  - (ii) Money at short notice has a maturity period of not exceeding \_\_\_\_\_ days.
  - (iii) A petro bond is issued to share the risk and profitability of \_\_\_\_\_ prices.
  - (iv) Automated screen based trading of shares on stock exchanges has resulted into \_\_\_\_\_.
  - (v) All securities held in depositories shall be in \_\_\_\_\_ form.

*(1 mark each)*

2. (a) Distinguish between the following. Attempt *any three* :
- (i) 'Floating rate bond' and 'capital indexed bond'.
  - (ii) 'Merchant banker' and 'portfolio manager'.
  - (iii) 'Listed securities' and 'permitted securities'.
  - (iv) 'Buy-back through stock exchange' and 'buy-back through book building'.
- (4 marks each)*
- (b) Expand the following abbreviations with reference to securities laws :
- (i) SRO
  - (ii) IPEF
  - (iii) NDTL.
- (1 mark each)*
3. (a) How does margin trading help in curbing speculative trading ?
- (8 marks)*
- (b) What is 'buy-back of securities' ? Discuss the various permissible methods of buy-back of securities by a listed company.
- (7 marks)*
4. (a) What do you understand by 'treasury bills' ? What are the benefits of treasury bills to the investors ?
- (6 marks)*
- (b) Write short notes on the following. Attempt *any three* :
- (i) Global depository receipts
  - (ii) Sweat equity shares
  - (iii) Angel investors
  - (iv) Money market mutual funds.
- (3 marks each)*

: 3 :

5. (a) What do you understand by 'suspicious transaction report' ? Explain in brief various categories of suspicions.  
(5 marks)
- (b) "The depository system works very much like a banking system." Discuss.  
(5 marks)
- (c) "A well functioning securities market is conducive to sustained economic growth." Comment.  
(5 marks)

**PART – B**

*(Answer ANY TWO questions from this part.)*

6. Explain the following statements :
- (i) IPO grading aims at facilitating assessment of the issue offered to public.
  - (ii) Roadshow is essential step in a Euro issue.
  - (iii) Investors in securities market do have some responsibilities.
  - (iv) The issuers can make fast track issues in the capital market.
  - (v) Fixed price issues are different from book building.
- (4 marks each)
7. (a) What are 'debt securities' ? List out the material disclosures required to be made in the offer document for debt securities.  
(5 marks)
- (b) Discuss briefly the legal framework for investor protection in India.  
(5 marks)
- (c) What is 'proportionate allotment' in case of over-subscription of a public issue ?  
(5 marks)
- (d) Discuss briefly the requirements for bidding in a book building issue.  
(5 marks)

8. Explain the following terms associated with public offering of securities. Attempt *any five* :

- (i) Conditions for issue of IDRs
- (ii) Overseas custodian bank
- (iii) ASBA-public issue process
- (iv) Offering circular
- (v) Common investor grievances
- (vi) Obligations of debenture trustees.

*(4 marks each)*