

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 6

NOTE : Answer ALL Questions.

PART-A

1. (a) Ultra-Information Services Limited, provides IT and ITES services. The Board of Directors of the Company want to go for Initial Public Offer (IPO) to raise funds for expansion of the Company. During the previous year, the Company started a new line of business of providing aeronautical designs to an Australian entity and accordingly changed its name to Ultra Aero Technology Services Limited.
As a Company Secretary, advise the Board of Directors about eligibility for an IPO.
- (b) The Board of Directors of Minto Limited wanted to set up a new production plant at Manesar. In the Board Meeting where the budgets were being discussed, one Director suggested that funds can be raised by issuing warrants to fund the new project.
As a Company Secretary, advise the Board of Directors, whether the Company can issue warrants.
- (c) Explain minimum promoter's contribution to be brought in before public issue open under regulation 14(34).

(5 marks each)

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

2. (a) On the basis of the following information, calculate the operating cycle of Raksha Goods Limited :

Particulars	As at April 1, 2019	As at March 31, 2020
Inventory	₹ 4,00,000	₹ 3,80,000
Accounts receivable	₹ 18,00,000	₹ 22,50,000

- The sales and cost of goods sold for the year ended March 31, 2020 are ₹ 2,65,00,000 and ₹ 1,55,00,000 respectively.
- (b) Somaskanda Printers Limited approached Support Bank, for working capital facilities. The projected annual turnover of the Company is ₹ 1,85,00,000. Explain the assessment of working capital requirement as per Nayak Committee and compute the working capital finance which can be extended by the Bank.
- (c) Alphameter Technologies Limited has outstanding guarantees of ₹ 92 crore as on March 31, 2019. During the year, Company had given new guarantees of Rs. 8 crore to the Telecom Department for new telephone lines. The income tax assessment proceedings for the Assessment Year (AY) 2014-15 have concluded and the Department has released bank guarantees of ₹ 21 crore which the company had provided earlier. The Department has demanded an additional guarantee of ₹ 2 crore towards the interest for the AY 2015-16, for which the Company had provided guarantee of ₹ 14 crore in previous years.
- Compute the bank guarantee limits as on March 31, 2020.

(5 marks each)

: 3 :

OR (Alternate question to Q. No. 2)

- 2A. (i) Bon wants to invest in Angel Funds. Explain how an investment can be made in an Angel Fund and in which type of undertakings an Angel Fund can invest. Can units of Angel Funds be listed on a stock exchange ?
- (ii) “Venture capital firms, finance both early and later stage investments to maintain a balance between risk and profitability.” Explain early stage financing.
- (iii) Explain the meaning of ‘Strategic Investor’ as mentioned in the SEBI (Real Estate Investment Trusts) Regulations, 2014.
- (5 marks each)*
3. (a) Discuss the concepts “Seed funding” and “Private Equity”.
- (b) Whether ‘Letter of Credit’ (LC) and ‘Letter of Guarantee’ (LG) are one and same. Do you agree ? If not, list out the points of differences between them.
- (c) Outline the reporting requirements under External Commercial Borrowing (ECB) reporting framework.
- (5 marks each)*
4. (a) Mono Auto Limited raised ₹ 100 crores through an IPO with manufacturing of cars as one of its main objects. However due to economic downturn, the Company wants to change its objects to designing and supply of spare parts. Some of the shareholders have voted against this resolution for change in objects. Can the Company give such shareholders an option to exit. If so, what should be the exit price to be offered ?
- (3 marks)*

- (b) “The International Finance Corporation (IFC) is an international financial institution that offers investment, advisory and asset-management services to encourage private sector development in developing countries.” Explain the functions of IFC.
(3 marks)
- (c) Dharmadhi Bank wants to issue Perpetual Non-Cumulative Preference Shares. Can a bank issue such instruments ?
(3 marks)
- (d) What are the criteria for listing of Security Receipts ?
(3 marks)
- (e) “The External Commercial Borrowings (ECB) proceeds can be parked abroad.” Explain.
(3 marks)

PART-B

5. (a) The SEBI (LODR) Regulation, 2015 is applicable on which type of securities ?
(5 marks)
- (b) List out the points of ‘Common Obligations for a Listed Entity’ prescribed under the SEBI (LODR) Regulations, 2015.
(5 marks)
- (c) Atindra Financial Institutions Group started a new Company for Mutual Fund business. It has sought all the requisite approvals from various regulators. Few of the senior staff were moved from existing group companies to new Mutual Fund Company. The CFO of the new Company is of the view that they also need to appoint a Company Secretary as Compliance Officer.
Explain the role of Compliance Officer.
(5 marks)

: 5 :

- (d) Discuss the provisions contained in the SEBI (LODR) Regulations, 2015 relating to dissemination of information to Stock Exchanges on the matter of 'Corporate Insolvency Resolution Process (CIRP)' of a listed company which has become corporate debtor under the Insolvency and Bankruptcy Code, 2016.

(5 marks)

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

6. (a) Mr. Jayesh has been recently appointed as Company Secretary of Mahalingam Limited, a company listed on Bombay Stock Exchange (BSE). He wants to draft a dividend distribution policy for the Company. Advise Mr. Jayesh.
- (b) Outline the provisions of Regulation 30 of SEBI (LODR) Regulations, 2015 regarding the criteria for determination of materiality of events and information.
- (c) Explain the process of listing GDRs on the Euro MTF.
- (d) Write a note explaining the provisions contained in SEBI (LODR) Regulations, 2015 in relation to 'Holding of Specified Securities and Shareholding Pattern'.

(5 marks each)

OR (Alternate question to Q. No. 6)

- 6A. (i) Write a note on the periodical compliance calendar (not event based) under SEBI Listing Regulations, 2015.
- (ii) The Board of Directors of Sujah Limited are planning to introduce an Employee Stock Option Scheme (ESOS) for select category of employees. The Board has requested the Company Secretary to prepare the required documentation for obtaining in-principle approval from Stock Exchanges. Advise.

(5 marks)

(5 marks)

(iii) ARY & Co. LLP, were the statutory auditors of Ambeaon Limited (a listed company), appointed for period of 5 years. After completion of two years, the auditors resigned as statutory auditors. Soon within a couple of days of auditor's resignation, two independent directors also resigned from the Board. What would be the disclosure obligations on the Company ?

(5 marks)

(iv) Every website of a listed Company must contain statutory disclosures in terms of listing regulations. In light of this, list out the various information/policies which should be disseminated through the Company's website.

(5 marks)

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