PART – A

1. (a) Super mutual fund has launched a scheme named 'Super Bonanza'. The net asset value (NAV) of the scheme is ₹12.00 per unit. The redemption price is ₹11.65 per unit and offer price is ₹12.50 per unit. You are required to calculate —
   (i) Front-end load; and
   (ii) Back-end load.
   (6 marks)

(b) Calculate value of 'rights' from the following information —
   
   Number of rights shares offered: 2,500
   Number of shares held: 1,000
   Ex-rights price: ₹18
   Rights offer price: ₹15
   Face value of a share: ₹10
   
   (4 marks)

(c) "Factoring is a financial option for the management of receivables." In the light of this statement, explain the meaning and advantages of factoring.
   (5 marks)

2. Explain the following:
   (a) Credit rating establishes a link between risk and return.
   (3 marks)

   (b) Treasury bill is a powerful instrument in the money market.
   (3 marks)
(c) PCS (Practising Company Secretary) certification for SME platform. (3 marks)

(d) All securities in the same class are identical and interchangeable. (3 marks)

(e) Collective investment scheme (CIS) provides a relatively secure means of investing on the stock exchange and other financial instruments. (3 marks)

OR (Alternate question to Q.No. 2)

2A. (i) Private equity fund is an unregistered investment vehicle in which investors pool money to invest. Explain the concept of private equity fund and distinguish it from hedge fund. (5 marks)

(ii) Short selling means selling a stock which the seller does not own at the time of trade. In this context, discuss the broad framework of short selling. (5 marks)

(iii) "Investment advisors provide guidance about financial dealings and investments." Comment on this statement and state the role of investment advisors in capital market. (5 marks)

3. (a) What is 'market-making'? Discuss in brief the obligation of a market-maker. (5 marks)

(b) What is meant by demutualisation of stock exchange? Explain the purpose of demutualisation. (5 marks)

(c) Explain the conditions for issue of shares with differential voting rights by a listed company. (5 marks)

4. (a) Distinguish between the following:

(i) 'Debt market' and 'equity market'.

(ii) 'Listed securities' and 'permitted securities'.

(iii) 'Partly convertible debentures' and 'non-convertible debentures'. (3 marks each)
PART – B

5. (a) Kind Enterprises Ltd. has decided to acquire stake upto 25% of the paid-up share capital of Excel Ltd., which is a listed company and wants to proceed with a public offer pursuant to the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Prepare a Board note highlighting the general obligations of Kind Enterprises Ltd.

(10 marks)

(b) What do you mean by 'reservation on competitive basis'? Who are the persons eligible in case of issue made through book building process?

(5 marks)

(c) Briefly explain the role of a Practising Company Secretary in concurrent audit of depository participants.

(5 marks)

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

6. Comment on the following statements:

(a) Dematerialisation and immobilisation are distinct activities.

(b) Price sensitive information is any information which relates directly or indirectly to a company.

(c) Delisting is not permissible under certain circumstances.

(d) The disclosures requirements on the acquisition of shares of a listed target company beyond certain limits are only on the acquirer and not on the target company.

(e) An institutional placement programme shall be managed by merchant banker(s) registered with SEBI.

(4 marks each)
OR (Alternate question to Q.No. 6)

6A. Write notes on the following:

(i) Reconciliation of share capital under Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996

(ii) Corporate governance compliance certificate

(iii) SCORES

(iv) Insider trading

(v) Whistle blower policy.

(4 marks each)

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