***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. Attempt the following questions :

(*a*) ABC Ltd. a company whose equity shares are listed at BSE and NSE is seeking delisting of its equity shares from both the recognised stock exchanges. It provides an exit opportunity to all public shareholders in accordance with SEBI (Delisting of Equity Shares) Regulations, 2009. Calculate the minimum number of equity shares to be acquired for the delisting offer to be successful. Also determine the final offer price from the details given hereunder :

(*i*)

	Number of shares	**Percentage holding**
Promoter	75,00,000	75
Public	25,00,000	25
	1,00,00,000	**100**

(*ii*) The floor price in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 is ₹ 550 per share.

(*iii*) Assume that all the public shareholders holding shares in the demat mode had participated in the book building process as follows :

Bid Price (₹)	**Number of Investors**	**Demand (Number of Shares)**
550	5	2,50,000
565	8	4,00,000
575	10	2,00,000
585	4	4,00,000
595	6	1,20,000
600	5	1,30,000
605	3	2,10,000
610	3	1,40,000
615	3	1,50,000
620	1	5,00,000
	48	**25,00,000**

(*5 marks*)

(B) XYZ Ltd. is proposing to make a public issue of 400 crore equity shares through the book building mechanism where 50% of the issue size is required to be allotted to Qualified Institutional Buyers. Determine the following :

(*i*) The quantum available for allocation to anchor investors.

(*ii*) The quantum reserved for domestic mutual funds in the anchor investor portion, if any.

(*iii*) The amount, if any, required to be brought in by the anchor investors given :

(*a*) The price at which allocation is made to anchor investors is ₹ 855 per share, and

(*b*) The price fixed as a result of book building is ₹ 858 per share.

(*5 marks*)

(C) Describe various schemes of mutual funds according to investment objective.

(*5 marks*)

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

2. Explain the following :

(*a*) Sweat Equity Shares

(*b*) Capital Indexed Bonds

(*c*) Domestic and Offshore Hedge Fund

(*d*) Exchange Trades Funds

(*e*) Foreign Currency Convertible Bond (FCCB).

(*3 marks each*)

OR (Alternate question to Q. No. 2)

2A. (*i*) The partly convertible debt instruments of ABC Ltd. are listed on BSE and NSE. ABC Ltd. is contemplating the roll over of the non convertible portion of the partly convertible debt instruments. As a company secretary of ABC Ltd. prepare a board note highlighting the conditions to be complied with by ABC Ltd. in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(*5 marks*)

(*ii*) Write a note on the Straight Through Processing Mechanism.

(*5 marks*)

(*iii*) What is the eligibility criteria for securing the different categories of membership within IOSCO ? Describe.

(*5 marks*)

3. (*a*) "Financial instruments that are used for raising capital resources are affected by the preference factors for choosing and it is different for issuers and for investor." Explain briefly and also classify the instruments.

(*5 marks*)

(*b*) "The rating methodology for non-banking financial services companies and rating of manufacturing companies are based on different model and factors." Explain.

(*5 marks*)

(*c*) "Securities Lending and Borrowing describes the market practice whereby securities are temporarily transferred by one party (the lender) to another (the borrower) via an approved intermediary". Enumerate.

(*5 marks*)

4. (*a*) The Surveillance department of the recognised stock exchange uses various tools to detect potential market abuses at a nascent stage in order to promote market integrity. In the light of this statement define the term market abuse. Also, list down the various surveillance actions initiated by the department to control market abuse.

(*8 marks*)

(*b*) Who is the sponsor of a Real Estate Investment Trust ? What are the provisions with respect to the holding of units by the sponsor in the REIT ? Describe.

(*7 marks*)

PART–B

5. Answer the following :

(*a*) SEBI in exercise of the powers conferred by Section 31 read with Section 21A of the Securities Contracts (Regulation) Act, 1956, Section 30, Sub-section (1) of Section 11 and Sub-section (2) of Section 11A of SEBI Act, 1992 made the SEBI (Delisting of Equity Shares) Regulations 2009. Explain the framework and complete process of delisting as per regulations.

(*8 marks*)

(*b*) XYZ Ltd. made a public issue of equity shares in September, 2014 and sought listing of BSE and NSE. Soon, thereafter, the promoters of the company started contemplating a change in the objects clause mentioned in the prospectus. To give effect to the same the company convened an extra-ordinary general meeting of shareholders in Novermber 2015. Though the resolution was passed by the company there were nevertheless, the dissenting shareholders too. The promoters decide to provide an exit opportunity to the dissenting shareholders. In the light of the above, answer the following questions :

(*i*) Is this act of the promoters justified ? Highlight the relevant regulatory legal framework for the same ?

(*ii*) Who are the dissenting shareholders ?

(*iii*) Enumerate the conditions required to be complied with to give effect to this recourse which was availed by the promoters.

(*6 marks*)

(*c*) Trading plan is an exception to the general rule that an insider should not trade when in possession of unpublished price sensitive information. However, trading plan once made cannot be revoked. Do you agree ? If yes, give reasons for the same.

(*6 marks*)

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

6. Critically examine the following :

(*a*) An open offer for acquiring shares in the target company once made cannot be withdrawn.

(*b*) ETFs are a rapidly growing class of financial products.

(*c*) A listed entity shall not be allowed to change its name more than once.

(*d*) Warrant cannot be issued along with public issue or right issue of specified securities.

(*5 marks each*)

OR (Alternate question to Q. No. 6)

6A. Write notes on the following :

(*i*) Offshore Derivative Instruments

(*ii*) Nominated Investor

(*iii*) Institutional Placement Programme

(*iv*) Designated Depository Participant (DDP)

(*v*) Syndicate Member.

(*4 marks each*)

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