

Roll No. ....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 8

NOTE : Answer ALL Questions.

**PART-A**

1. (a) BDE Ltd. has its equity shares listed on both the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), with total outstanding long-term borrowings amounting to ₹ 1,000 Crore for the financial year ending on March 31, 2023. In preparation for the incremental borrowing requirements for the fiscal year 2023-24, the company's management has projected a fund requirement of ₹ 500 Crore. Ascertain the mandatory incremental borrowings it must raise through debt securities from the overall projected outlay and brief the consequences of shortfall and surplus in required borrowings.
- (5 marks)
- (b) Regulation 102 of SEBI (ICDR) 2018 stipulates certain conditions that make companies ineligible to make a Follow-on Public Offer (FPO). Which are those conditions ? Explain in brief.
- (5 marks)
- (c) RST Ltd is preparing to issue a ₹ 10 crore specified securities offered at ₹ 600 per share. The total specified securities also include offer made to :
- |                                       |                                     |
|---------------------------------------|-------------------------------------|
| Qualified Institutional Buyers (QIBs) | – ₹ 6.66 crore specified securities |
| Retail Individual Investors (RII)     | – ₹ 1.00 crore specified securities |

: 2 :

Considering the above facts, comment on :

- (1) How many specified securities can Romesh apply in the net offer category ?
- (2) What is the maximum number of specified securities which non-institutional investors can apply in the said issue ?

(5 marks)

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

2. (a) What are the differences between Sponsor of an InvIT and Promotor of a Company ?
- (b) SEBI amendment introduced framework for “Accredited Investor” as per SEBI (Alternative Investment Funds) (Third Amendment) Regulations, 2021.  
Who is “Accredited Investor” as per amended framework ?
- (c) SEBI (LODR) Regulations 2015 provides that prior intimation is required to be given to Stock Exchange about the meeting of Board of Directors for proposals to issue of bonus shares by a listed entity.

Briefly explain the provision of Regulation 29 & Regulation 42 of SEBI (LODR) Regulations 2015.

(5 marks each)

: 3 :

*OR (Alternate question to Q. No. 2)*

- 2A. (i) How is the day count dealt with under SEBI (Issue and Listing of Debt Securities) Regulations, 2018, in normal situation and in case of a leap year ?  
In the light of the above convention explain the following situation :  
Date of issue of corporate bonds : January 01, 2024  
Coupon payable : Quarterly  
Date of coupon payments : April 01, July 01, October 01 & January 01.
- (ii) DAL Ltd is in urgent need of funds and hence decides to discount its invoices worth ₹ 2 crore which are due in the next 2 months. Blue Ltd factor is ready to make a payment of 80% of the invoice to the company at flat @ 2% discount rate for the first 30 days and @ 3% discount for 60 days on the full invoice value.  
Calculate the factoring cost / fee for DAL Ltd for 60 days.
- (iii) SCL Ltd has outstanding bank guarantee of ₹ 325 Lakh as per Audited Balance Sheet of March 31, 2023. During the year 2023-24 the Company availed additional bank guarantee of ₹ 125 lakh. The Company needs additional bank guarantee of ₹ 750 lakh in December 2023 in order to meet its one-time. The bank guarantees maturing and cancelled by December 2023 are worth ₹ 250 lakh and ₹ 120 lakh respectively. The Bank guarantees cancelled during the year are worth ₹ 150 lakh. The Company has ₹ 850 lakh as sanctioned Bank Guarantee Limit.  
Given these circumstances, you are required to assess whether the company should enhance its bank guarantee or if the existing bank guarantee will suffice to cover the additional requirement of ₹ 750 lakh.

(5 marks each)

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3. (a) Briefly explain the following in relation to the issue of ADR (American Depository Receipts) & GDR (Global Depository Receipts) as per provision under companies (Issue of Global Depository Receipts) Rules, 2014 :

(i) Two-Way Fungibility Scheme

(ii) Sponsored ADR/GDR Issue.

(3+2=5 marks)

(b) Shark Ltd a company with an innovative business idea is in the process of raising funds for its upcoming new project. The management of the Company has proposed to raise funds through Banks and Financial institutions. The Company has a good track record in the past and has good credit worthiness.

Recognizing the importance of a well-prepared project report in this endeavor, the management has reached out to you for assistance.

Your task is to create a comprehensive template for the project report, ensuring that all necessary information is included to effectively communicate the potential of the project and attract required finance for the project.

(5 marks)

(c) Bhola Ltd a listed company would like to introduce a share-based employee welfare or employee benefit scheme as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for its employees. The company would like to implement the scheme through a separate trust named as Ganga Welfare Trust. The management has the following queries and seeks your advice :

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- (1) Explain Employee Stock Options Scheme (ESOS) and Employee Stock Purchase Scheme (ESPS) to the management.
- (2) Bhola Ltd.'s management has decided to implement ESOS (Employee Stock Option Scheme) for its employees. Can Ganga Welfare Trust acquire 2% stake in Bhola Ltd during one financial year in order to facilitate the implementation of the ESOS scheme ? Is shareholders' approval required for such acquisition ?

*(5 marks)*

4. (a) External Commercial Borrowing (ECB) can be made only for permitted purposes as per FEMA guidelines. What is ECB ? Also mention the negative list for which ECB proceeds cannot be utilized.

*(3 marks)*

- (b) Mars Ltd a public Ltd company wants to grant intercorporate loan to its wholly owned subsidiary, Jupiter Ltd. What is the limit for granting loan under Section 186 of the Companies Act, 2013 ? Is there a need to pass a special resolution, if the loan amount exceeds the limits as prescribed under the said section ? Suppose one of the Director is against granting of such loan, can the company still give loan ?

*(3 marks)*

- (c) Several agencies/intermediaries are involved in the issue of ADRs/GDRs. Prepare the list of the agencies normally involved in the said issue.

*(3 marks)*

(d) What is the objective of International Monetary Fund (IMF) ? What is the fundamental mission of IMF ?

(3 marks)

(e) What are the obligations of a Debenture Trustee of Non-Redeemable Preference Share under the SEBI (Issue and listing of Non-convertible Securities) Regulations, 2021 ?

(3 marks)

#### **PART-B**

5. (a) BCD Ltd. a Listed Company falling under the top 500 listed companies list, currently has 8 directors which includes women Managing Director, 3 non-executive, non-independent woman directors and 4 independent directors, (all males) and one of the independent directors is a Chairperson of the company. The second 5-year tenure of the current Chairman is expiring in the next annual general meeting (AGM) which is due in the next 6 months. The management is planning to appoint one of the non-executives, non-independent woman Director as the Chairperson. The management has the following queries and seeks your advice ?

Is the company mandatorily required to appoint a new independent women director in order to fill the vacancy arising due to the expiration of the first term of the independent director ?

(5 marks)

(b) What are the principles, that a listed entity shall comply with as per SEBI (LODR) 2015 Regulations ?

Explain in brief the objectives of those principles.

(5 marks)

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(c) What are the confirmations need to be obtained by SME Platform under Chapter IX of SEBI (ICDR) Regulations 2018 from the Issuer Company and BRLM(s) (Book Running Lead Manager/Lead Manager(s) at in principal approval stage ?

(5 marks)

(d) SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 on June 14, 2023. Briefly explain amendments made on disclosure of material events in terms of value, information or event to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(5 marks)

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

6. (a) A listed company has to inform the outcome of the board meeting to the stock exchanges within 30 minutes of the conclusion of the meeting. List out such items that are to be communicated to the stock exchange.

(5 marks)

(b) What is “Vigil Mechanism” ? Explain briefly the provision under SEBI Listing Obligations & Disclosure (LODR) Regulations 2015.

(5 marks)

(c) International listing enables companies to trade its shares in numerous time zones and multiple currencies. Do you agree with this statement ?

What are the benefits of international listing ?

(5 marks)

(d) Who is a NOMAD in the context of listing of securities in London Stock Exchange ? Explain the role of NOMADs.

(5 marks)

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*OR (Alternate question to Q. No. 6)*

- 6A.** (i) Who is an insider and what is insider trading ? What is price sensitive information ?  
Answer with reference to SEBI (Prohibition of Insider Trading) Regulations, 2015.
- (ii) Prepare a checklist of documents for listing of securities issued pursuant to the Rights issue.
- (iii) Write a brief note on US Securities and Exchange Commission.
- (iv) Explain the Mainstream media pursuant to SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

*(5 marks each)*

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