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Reg. No.....

Name.....

**FIVE YEAR B.A., LL.B. (HONOURS)/B.Com., LL.B. (HONOURS)/B.B.A, LL.B.
(HONS.) DEGREE [SPECIAL SUPPLEMENTARY] EXAMINATION
SEPTEMBER 2025**

Ninth Semester

F.L. 30—INVESTMENT LAW (SECURITIES)

(2020 Admissions)

Time : Three Hours

Maximum : 75 Marks

Part A

Write short notes on any five of the following.

Each question carries 3 marks.

1. Depository Agreement.
2. Conditions for issue of IDR.
3. Merchant banking.
4. Winding up of collective investment scheme.
5. Difference between Investment Manager and Custodian.
6. Book-building process in IPO.

(5 × 3 = 15 marks)

Part B

Answer any three of the following problems.

Each question carries 10 marks.

7. A recognized stock exchange is involved in the trading of shares of ABC Ltd. The SEBI, on receiving a complaint from a group of investors, enquired and found that trading of shares of ABC Ltd. is being conducted in a manner detrimental to the interest of the general investors. In order to curb the same, the SEBI wants to issue some directions to the Stock Exchange. Referring to the provisions of the Securities Contracts (Regulation) Act, 1956, discuss whether the SEBI has the power to issue such directions.

Turn over

8. A Sessions Court in Mumbai took cognizance of an offence committed by XYZ Ltd. punishable under provisions of the SEBI Act, 1992 and *suo motu* initiated proceedings against the company. The company contended that the Court has no jurisdiction in this regard and therefore, it cannot initiate any proceedings against the company. Examine whether the contention of XYZ Ltd. is tenable and whether the Court should drop the proceedings against the company.
9. A Mutual Fund had repeatedly exceeded, through its associate brokers, the permissible limits of transactions in terms of Regulation 25 (7) (a) of SEBI (Mutual Funds) Regulations. Consequently, a penalty of Rupees Two lakh was imposed by Adjudicating Officer of SEBI on this Mutual Fund. The Mutual Fund pleaded for waiver of penalty stating that the limit was not exceeded intentionally. Is this penalty justified ? Discuss referring to relevant case law.
10. PQR Ltd. made a public issue of equity shares 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 extraordinary general meeting of shareholders. Though the resolution was passed by the company, there were nevertheless, dissenting shareholders too. The promoters decided to provide an exit opportunity to the dissenting shareholders. Is this act of the promoters justified ? Discuss in light of relevant provisions.

(3 × 10 = 30 marks)

Part C

Answer any two of the following questions.

Each question carries 15 marks.

11. Explain what is meant by dematerialization of securities and outline the steps involved in converting securities from physical to demat form. Also, elaborate on the role and responsibilities of a Depository Participant in facilitating the dematerialization process.
12. Critically analyse the regulatory framework for protection of investors in the Indian securities market.
13. What do you mean by the terms "Initial Public Offer" and "Further Public Offer" ? Explain the common conditions that need to be satisfied by the issuer making a Public Issue and Rights Issue including conditions for both IPO and FPO. What are the SEBI Guidelines for an IPO ?

(2 × 15 = 30 marks)