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# PRESIDENCY UNIVERSITY

BENGALURU

## Make Up Examinations – December 2025

Date: 27-12-2025

Time: 09:30am – 12:30pm

<b>School:</b> SOL	<b>Program:</b> BA.LLB/BBA.LLB/B.COMLLB (Hons.) (Batch 2021 & 2022)		
<b>Course Code:</b> LAW305	<b>Course Name:</b> Securities Law		
<b>Semester:</b> MK	<b>Max Marks:</b> 100	<b>Weightage:</b> 50%	

CO - Levels	C01	C02	C03	C04
Marks	14	31	41	14

### Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Do not write anything on the question paper other than roll number.

### Part A

Answer ALL the Questions. Each question carries 2marks.

10Q x 2M=20M

1.	What are the two major segments of the capital market?	2 Marks	L1	C01
2.	State two objectives of SEBI.	2 Marks	L1	C04
3.	Define the term 'Merchant Banker' as understood in the capital markets.	2 Marks	L2	C02
4.	Mention any two advantages of listing securities.	2 Marks	L2	C03
5.	Briefly state the role of the Depository in the Capital Markets.	2 Marks	L3	C04
6.	What is the difference between equity shares and preference shares?	2 Marks	L2	C02
7.	Name two listed entities on the BSE in India.	2 Marks	L3	C01
8.	Name a few stock exchanges in India.	2 Marks	L1	C03
9.	Which is the regulatory body governing the capital market in India?	2 Marks	L2	C03
10.	Define FCEB as an instrument in the capital market.	2 Marks	L2	C02

## Part B

**Answer the Questions.**

**Total Marks 80M**

<b>11.</b>	<b>a.</b>	Discuss the primary and secondary market structure of India with examples and their interdependence.	<b>10 Marks</b>	<b>L2</b>	<b>CO1</b>
Or					
<b>12.</b>	<b>a.</b>	Critically examine the role of capital markets in mobilising household savings and improving investment efficiency.	<b>10 Marks</b>	<b>L2</b>	<b>CO1</b>
Or					
<b>13.</b>	<b>a.</b>	Explain the different types of intermediaries in the capital market and their regulatory framework.	<b>10 Marks</b>	<b>L3</b>	<b>CO2</b>
Or					
<b>14.</b>	<b>a.</b>	Define "Securities" under SCRA and discuss its judicial interpretation using case laws.	<b>10 Marks</b>	<b>L3</b>	<b>CO2</b>
Or					
<b>15.</b>	<b>a.</b>	Define Depository and its main functions in the capital markets.	<b>10 Marks</b>	<b>L3</b>	<b>CO4</b>
Or					
<b>16.</b>	<b>a.</b>	Critically analyse the Depository Act 1996.	<b>10 Marks</b>	<b>L3</b>	<b>CO4</b>
Or					
<b>17.</b>	<b>a.</b>	Explain the constitutional setup, jurisdiction, and powers of the Securities Appellate Tribunal (SAT).	<b>15 Marks</b>	<b>L3</b>	<b>CO3</b>
Or					
<b>18.</b>	<b>a.</b>	Discuss SEBI's powers under Section 11B of the SEBI Act and the scope of judicial review in SEBI enforcement actions.	<b>15 Marks</b>	<b>L3</b>	<b>CO3</b>
Or					
<b>19.</b>	<b>a.</b>	Examine the regulatory treatment and investor protection issues in the case of Foreign Currency Exchangeable Bonds (FCEBs) and FCCBs.	<b>15 Marks</b>	<b>L3</b>	<b>CO2</b>
Or					
<b>20.</b>	<b>a.</b>	Explain the difference between Shares and Debentures as an instrument of the capital markets.	<b>15 Marks</b>	<b>L4</b>	<b>CO2</b>
Or					
<b>21.</b>	<b>a.</b>	AquaMed Technologies Ltd., a company in the healthcare sector, has been in existence for 4.5 years. Its average pre-tax operating profits over the last three years stand at ₹12 crore, but it incurred a loss in one of those years due to a product recall. It has net tangible assets of ₹5 crore in each of the preceding three years and has maintained a positive net worth. However, 12% of its paid-up equity shares were issued as convertible instruments to institutional investors two years ago, which are now fully	<b>15+5=20 Marks</b>	<b>L5</b>	<b>CO3</b>

		<p>converted. The entire shareholding is in dematerialised form. The company wants to raise ₹250 crores through an Initial Public Offering (IPO) on the Main Board.</p> <p>As a capital markets advisor:</p> <ul style="list-style-type: none"> <li>Assess whether the company meets the eligibility criteria under Regulation 6(1) of the SEBI ICDR Regulations, 2018, for listing on the Main Board.</li> <li>What alternative routes (if any) are available if it fails to meet the eligibility under Regulation 6(1)?</li> </ul>			
<b>Or</b>					
<b>22.</b>	<b>a.</b>	<p><i>Ayana Mobility Ltd.</i>, a listed electric vehicle (EV) manufacturing company, intends to raise ₹500 crores to expand its battery production facility and launch a new line of eco-friendly scooters. The promoters are keen on raising the funds quickly without losing control over management. The CFO recommends issuing equity shares due to favourable market sentiment, while the legal and compliance team warns of increased disclosure, lock-in, and post-listing obligations under SEBI ICDR Regulations. Another option under consideration is raising funds through Non-Convertible Debentures (NCDs) on a private placement basis under the SEBI (LODR) and Companies Act provisions.</p> <p>As the legal and financial advisor to the company:</p> <p>Advise which route equity issuance or NCDs is more suitable, keeping in mind dilution of control, regulatory compliance, cost of capital, and investor appetite.</p>	<b>20 Marks</b>	<b>L4</b>	<b>CO3</b>