DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

P.G.DIPLOMA IN FINANCIAL SERVICES & LEGISLATIONS

Academic Year: 2019-2020

I Semester – Repeat Examination (February, 2020)

Paper II - 1.1.2. Financial Legislations

Time: 2 ½ hours. **TOTAL MARKS: 70**

INSTRUCTIONS TO CANDIDATES

1. **The questions to be interpreted as given and no clarification can be sought from the invigilator.**
2. **No printed or handwritten materials / mobile phone / electronic devices will be allowed in the Exam hall.**
3. **Only the relevant printed material provided along with the question paper by the invigilator shall be used during the exam and the same has to be returned along with the answer script.**
4. **Answers without Question numbers will not be marked.**
5. **Answers in illegible handwriting will not be taken into consideration.**

Answer the following Questions:

1. Bring out and explain the major differences between regulating banking and NBFC businesses. **(10 marks)**

2. Explain in detail the following three questions by using any example with reference to Insolvency and Bankruptcy Code Amendment Act 2019.

   a) The position of home buyers in resolution process as well as liquidation process **(10 Marks)**
   b) Disqualification as per Section 29A based on related parties and financial dealings with lenders **(8 Marks)**
   c) Distribution of liquidation proceeds to Operational Creditors **(7 Marks)**

3. Give a detailed account on the history of capital market regulations in India. **(10 Marks)**

4. Bring out the major differences between health insurance and other general insurance business in terms of regulations. **(10 Marks)**

5. Advice your client on the following issues based on RBI's Master Direction on FDI (which is circulated to you).
   a) An NRI would like to invest on Non-Convertible debentures and preference shares of a listed company as part of FDI. **(5 Marks)**
   b) A Bangladeshi company would like to invest on Indian Automobile company through the automatic route. **(5 Marks)**
   c) A foreign investor would like to invest 20% upfront on equity shares and the balance in 15 months' time. **(5 marks)**