

Q. 1A) Choose the correct alternatives (any 8). (08)

1. The Central banking functions in India are performed by the _____
(Central Bank of India, Reserve Bank of India, State Bank of India, Punjab National Bank)
2. _____ deals with short term claims with a maturity of less than one year
(Money market, Primary market, Secondary market, Capital market)
3. The primary market deals with new financial claim, therefor it is called _____
(Capital market, New issue market, Financial market, Equity market)
4. _____ capital is owned capital.
(Equity, Preference, Debenture, Other)
5. The IPO is regulated by _____
(RBI, SEBI, AMFI, CBI)
6. _____ is dollar denominated receipt.
(ADR, GDR, IDR, FCCB)
7. _____ is the process of converting physical shares into electronic format.
(Demutualisation, Privatization, Dematerialization, Deposit)
8. _____ market deals with the exchange of existing or previously issued securities.
(Money market, Primary market, Secondary market, Capital market)
9. In the _____ market the security is purchased directly from the issuer.
(Capital market, Money market, Debt market, Primary market)
10. An _____ is a kind of employee benefit plan, similar in some way to a profit sharing plan.
(Red Herring Prospectus, Sweat equity, ESOP, Book building)

Q.1 B) State whether the following statements are True or False (any 7). (07)

1. Circuit breakers are applied when the stock prices move beyond a particular range.
2. Bears are some people who believe market will go down.
3. RBI is the queen bee of the financial system which influences the commercial bank management.
4. Secondary market deals with listed securities.
5. Equity shares are known as ordinary shares.
6. The IPO of a bank is regulated by the RBI.
7. Equity holders are creditors of the company.
8. Prices in primary market are determined by market forces.
9. IPO is issued in secondary market
10. Stock market is not a readymade market for buyers and sellers

Q.2 A) Define equity market. Explain the functions of equity market. (08)

B).Distinguish between Primary Market and Secondary Market. (07)

OR

C) Explain the different types of equities in the market (08)

D) Explain the factors responsible for the growth of capital market. (07)

Q.3 A) Elaborate the IPO process. (08)

B) State the various parties involved in GDR issue. (07)

OR

C) What is Prospectus ? Explain two types of Prospectus. (08)

D) What are the various problems associated with primary market. (07)

Q.4 A) What is listing of securities. Explain the various benefits of listing. (08)

B) Who are the various members in stock exchange. (07)

OR

C) Explain the fundamental analysis. (08)

D) What are the various categories of shares traded on stock exchange. (07)

Q.5 A) Explain the various types of investors in equity market. (08)

B) Explain the need to attract more investors towards equity market. (07)

OR

C) Write short notes on. (any 3). (15)

1. SEBI

2. Bonus shares

3. Insider trading.

4. FCCB

5. Candlestick Chart.