

VCD B1022

VCD _____ Sub: Fundamentals of Capital Market SYBIM SEM III 2 hrs 30 mins Marks: 75

Q1.A. state whether the following sentences are true or false (any eight) (8 Marks)

- i) SEBI is the regulatory body for financial market in India.
- ii) Stock of companies are traded in order to make profit
- iii) Trading in financial market is facilitated by stock exchanges.
- iv) Margin is the money borrowed from a broker to purchase an investment.
- v) Financial system mobilizes funds from surplus holder to deficit units.
- vi) Money market deals with security which has a maturity of less than a year.
- vii) There is no financial market required in financial system.
- viii) Secondary market is also known as new issue market.
- ix) A place where a foreign exchange is bought and sold is called as foreign exchange Market.
- x) Trading volume is a technical indicator.

B. Match the columns (any seven)

(7 Marks)

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|------------|--|
| i) FCCB | a. American depository receipt |
| ii) FCEB. | b. Global depository receipt |
| iii) ECB. | c. Bombay stock exchange |
| iv) ADR. | d. Foreign currency convertible bond |
| v) GDR. | e. Foreign currency exchangeable bond |
| vi) BSE. | f. Security exchange board of India |
| vii) SEBI | g. Nonperforming asset |
| viii) NPA. | h. Collective investment scheme |
| ix) CIMC. | i. External commercial borrowing |
| x) CIS. | j. Collective investment management company. |

Q2 A .Write the regulatory measures taken by SEBI to promote investors' confidence.

(8 Marks)

B . Explain features of developed capital market.

(7 Marks)

Or

C. Explain how depository system works in India.

(8 Marks)

D. Write a note on factors influencing rating of instruments in financial market.

(7 Marks)

Q.3. A. Explain stock exchange and its functions.

(8 Marks)

B. Explain briefly trading mechanism in stock exchange.

(7 Marks)

Or

C. What is margin trading and what are the significance of its.

(8 Marks)

D. Write a note on book closer and record date.

(7 Marks)

Q4.A . Write some features of collective investment scheme 1999.

(8 Marks)

B. Write a note on termination of trustee ship.

(7 Marks)

Or

C. Explain how to list and wind up the CIS 1999.

(8 Marks)

D. Write a note on unit certificates and transfer of units.

(7 Marks)

Q5. A. Explain the term depository receipt and state its types.

(8 Marks)

B. Explain two way fungibility scheme with its benefits.

(7 Marks)

Or

(15 Marks)

- C. Write short notes on (any three)
- i) Pricing of securities
 - ii) Distinguish between ADR and GDR
 - iii) Trend line
 - iv) Short selling
 - v) Security market reforms

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