

**2017**  
**CAPITAL MARKETS**

Marks: 70

Time: 3 hours

**General instructions:**

- i) *Approximately 15 minutes is allotted to read the question paper and revise the answers.*
- ii) *The question paper consists of 24 questions. All questions are compulsory.*
- iii) *Marks are indicated against each question.*
- iv) *Internal choice has been provided in some questions.*

**N.B:** *Check that all pages of the question paper is complete as indicated on the top left side.*

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|-----|--|-------|
| 1.  | What is secondary market?  | 1     |
| 2.  | Name the regulators of market participants of securities market.                                       | 1     |
| 3.  | Which exchange was the first to introduce NEAT system?   | 1     |
| 4.  | Define the term 'limit order book'.  | 1     |
| 5.  | What is pay-in-day?  | 1     |
| 6.  | Define security VaR.   | 1     |
| 7.  | Mention any two SEBI intermediaries.   | 1     |
| 8.  | Write the formula for return on equity.  | 1     |
| 9.  | State any two eligibilities to become a sub-broker.  | 2     |
| 10. | Write any two conditions that SEBI grants to stock broker in order to buy, sell or deal in securities. | 2     |
| 11. | State any two reasons where a trading member may be declared defaulter.                                | 2     |
| 12. | Define current ratio. What does it measure?  | 1+1=2 |
| 13. | State two advantages of screen based trading system.   | 2     |
| 14. | Explain the four reforms in Indian securities market.  | 4     |
| 15. | State the eligibility to become a trading member of exchange.  | 4     |
| 16. | State the four features of activity log.   | 4     |

17. Explain in brief any four special features of market enquiry. **4**
18. Explain the role of different agencies of clearing and settlement cycle. **4**
19. Explain in brief any two problems pertaining to securities settlement. **4**
20. Explain any four types of turn-over ratios. **4**
21. **a.** Explain the consequences of expulsion of trading membership in the exchange. **6**  
**Or**  
**b.** Explain any six norms and procedures relating to surrender of membership to the exchange.
22. **a.** Explain any six types of order books in NEAT system. **6**  
**Or**  
**b.** Explain the market phase in NEAT system.
23. **a.** State the process of securities settlement by NSCCL. **6**  
**Or**  
**b.** Explain the steps in transaction cycle with diagram. (2x3 = 6)
24. **a.** Explain any six conditions dealing in securities where it is deemed to be fraudulent or an unfair trade practices. **6**  
**Or**  
**b.** Explain the dividend or payments which are not included in dividend under Income Tax Act, 1961.

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