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**MANAGEMENT PROGRAMME / P.G.
DIPLOMA IN FINANCIAL MARKETS
PRACTICE**

**Term-End Examination
December, 2014**

**MFP-5 : PROFESSIONALS IN FINANCIAL
MARKET PRACTICE**

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. Explain the role of a 'Broker' as a financial intermediary and discuss his major activities. Also describe the different types of Brokerage Houses.
2. What is a 'Trading platform' ? What are the requirements of a good trading platform ? Discuss the NEAT system of National Stock Exchange.
3. What is meant by 'Due Diligence' ? Explain its principal benefits and the process adopted for this purpose. Discuss the qualities of good Due Diligence.
4. Define 'Merger' and 'Takeover'. Why do companies go for mergers ? Discuss the different valuation techniques adopted in M & A deals.
5. Why is pricing of financial products important for a firm ? Discuss the various factors which affect the pricing decision of a firm.

6. What is meant by 'Insider Trading' ? Discuss the different strategies adopted for preventing Insider Trading. Identify the major obligations of a company to prevent trading on insider information.
 7. Explain the concept and significance of Portfolio Management Services (PMS). Discuss the Investment Strategies in Portfolio Management and describe their advantages and disadvantages.
 8. What is the need for 'Financial Advisors' ? Discuss the factors affecting Financial Advisory profession.
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