

**POST GRADUATE DIPLOMA IN FINANCIAL
MARKETS PRACTICE**

Term-End Examination

December, 2013

MFP-1 : EQUITY MARKETS

Time : 3 hours

Maximum Marks : 100

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

1. Discuss the 'Efficient Market Hypothesis' (EMH) and bring out the different forms of Efficiency.
2. Explain the role played by major intermediaries involved in settlement of securities transactions.
3. Describe the process of "Application Supported by Blocked Amount" (ASBA) and discuss the advantages of applying through this method.
4. Explain the process and regulatory framework for Qualified Institutional Placement.
5. Write notes on the following :
 - (a) Badla Trading
 - (b) Rolling Settlement.
6. Discuss the role played by a Stock Exchange in protecting the interest of the investors.

7. Explain with examples different benchmark ratios that are used for relative comparison and analysis of share prices of different companies.
 8. What do you understand by Portfolio Diversification ? Why is it necessary ? Explain the different strategies adopted for this purpose.
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