

**MANAGEMENT PROGRAMME/
POST GRADUATE DIPLOMA IN FINANCIAL
MARKETS PRACTICE**

Term-End Examination

June, 2021

MFP-001 : EQUITY MARKETS

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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

1. Explain the Efficient Market Theory. Discuss the different forms of Efficient Market Hypothesis.
2. What are the main features of Equity Shares ? Explain the advantages and disadvantages of Equity share capital over Debt capital.
3. (a) Discuss the characteristics, significance and information contained in a Prospectus, issued for raising funds from the public.

(b) Discuss the concept of underwriting and the role and responsibilities of underwriters.

4. Define 'Book Building' and discuss the process used for issuing equity shares. What are the limitations of a book building issue ?
 5. Discuss the functions of the Investor Education and Protection Fund (IEPF) and initiatives taken by the Securities and Exchange Board of India (SEBI) for promoting Investor Awareness and Education.
 6. How are Financial Statements useful to its Internal and External users ? What are the Generally Accepted Accounting Principles (GAAP) ? Describe the institutions and organisations that influence the development of the Indian GAAP.
 7. Distinguish between the following investment styles :
 - (a) Active vs. Passive
 - (b) Growth vs. Value
 8. What is Stock Split ? Explain the process followed for adjustment of share prices in case of a stock split.
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