

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

Term-End Examination

June, 2015

MFP-1 : EQUITY MARKETS

Time : 3 hours

Maximum Marks : 100

Note : (i) *Attempt any five questions.*

(ii) *All questions carry equal marks.*

1. Explain the role of capital markets in an economy. Discuss the different segments of capital market and explain their functions.
2. What are 'Primary markets' ? What are their characteristics ? Discuss the factors that affect the growth and performance of the primary markets.
3. What is 'Order Execution' in the context of a stock market ? Discuss the usual steps involved, from order placement to order execution and settlement. Discuss the different types of Order Execution in a Stock Exchange.
4. What is a 'Depository' ? Describe the settlement process involved in the depository system. Discuss the benefits of the depository system.

5. What are 'Generally Accepted Accounting Principles' (GAAP) ? Explain the major internationally accepted principles. Identify the Institutions and organisations that influence the development of the Indian GAAP.
 6. Why should an Investor need to have Investment Philosophy ? What is Warren Buffet Philosophy ? Discuss the popular styles that are commonly employed by the Investors.
 7. What is meant by 'Portfolio Diversification' ? Why is it necessary ? Discuss the different portfolio diversification strategies.
 8. Write notes on the following :
 - (a) Over the Counter Exchange of India
 - (b) Indian Depository Receipts
 - (c) Book Building Process
 - (d) Convertible Debentures
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