

**P.G. DIPLOMA IN FINANCIAL MARKETS
PRACTICE**

00001

Term-End Examination

June, 2010

MFP-1 : EQUITY MARKETS

Time : 3 hours

Maximum Marks : 100

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

1. Discuss the role of Securities and Exchange Board of India (SEBI) in regulating the Financial markets in India. Also briefly explain the major achievements of SEBI since its inception.
2. What is a 'financial market' ? Discuss the components of Indian Financial Markets and explain how are they interlinked with each other ?
3. What is meant by Book Building process of Public Issues ? What are the different steps involved in the issuance of equity shares through this process ? Discuss its advantages also.

4. Explain the process of order execution in a stock exchange. Discuss the different types of order execution followed in Stock Exchanges in India.
5. What is meant by dematerialisation of securities ? Explain the process of dematerialisation of securities and the benefits of the 'Depository System'.
6. What are 'Generally Accepted Accounting Principles (GAAP) ? Identify the major internationally accepted principles for accounting norms. Briefly, discuss the institutions and organisations which are associated with the development of the Indian GAAP.
7. What do you mean by 'Fundamental Equity Valuation' ? Explain briefly the Discounted Cash Flow techniques used in such valuation.
8. What is the importance of an investment philosophy ? Discuss different investment styles that are adopted by the investors while investing in stock market.