

MBA II Year Examination

MP – 503 Capital Market & SEBI Regulations

Time: 3 Hours

Max. Marks: 80

Note: The question paper is divided into three sections A, B & C. Write Answers as per the given instructions.

**Section A
(Very Short Answer Type Questions)**

Note: Answers all 8 questions. As per the nature of the questions you delimit your answer in one sentence up to 50 words. Each question carries equal marks. (Marks 2x8=16)

1. What are corporate securities?
2. Give the classification of corporate securities.
3. How many Regional Stock Exchanges are there in India ?
4. What is listing of securities?
5. Define the term sub-broker.
6. Give the names of two depositories in India.
7. Name the books of accounts and documents to be maintained by a recognized stock exchange under the Securities Contract Regulation Rule, 1957.
8. What do you understand by stop loss price?
9. Write advantages of on line stock Trading.
10. When was NSCCL incorporated?
11. What is dematerialization of securities?
12. What are zero coupon debentures?
13. Define the term Money-Laundering
14. Define the term "public" under the Securities Contracts (Regulation) Rules, 1957
15. Daily price bands applicable are of _____% (either way) on securities as specified by the exchange.
16. Mention the types of participants in the auction market.
17. What is a DEMAT Account?
18. Give the full form of NEAT.
19. What does the term Regular lot denotes?
20. Give the names of two depositories functioning in India.

Section B

(Short Answer Type Questions)

Answer any 4 questions. Each answer should not exceed 100 words. Each question carries 08 marks. (Marks 8x4 = 32)

1. What are Circuit Breakers? Give the NSE guidelines for Circuit Breakers.
2. Who is a custodian under NSCCL? Discuss the role of custodian in settlement and clearing of trades.
3. What are debentures? Discuss the types of debentures issued by the company.
4. Define Government securities. Give the features of government securities market in India.
5. What is money laundering? What is the punishment for the offence of money laundering?
6. Explain the general obligations and responsibilities of a stock broker to maintain proper books of accounts and records under SEBI (Stock Broker & Sub-Broker) Regulation 1992.
7. Explain the provisions related to the powers of depositories to make bye laws under the Depository Act 1996.
8. Write a note on various types of members or functionaries at the stock exchange.
9. Define the trading environment for online equity trading along with the advantages & disadvantages of each environment.
10. Discuss the role and functions of the clearing member of NSCCL.
11. What is a stock exchange? Explain the organizational structure of stock exchanges in India.
12. Explain the process of clearing and settlement mechanism in the stock exchanges.
13. Explain the salient features of –
 - (a) Limited Physical Market
 - (b) Institutional segment.
14. Explain the procedure for recognition under the Securities Contract(Regulation) Rule 1957.

15. Explain the provisions related to establishment of Appellate Tribunal along with its composition and powers under the Money Laundering Act 2002.
16. Explain the powers of the board to order investigation along with the power of the investigating authority under SEBI (Prohibition of Fraudulent and Unfair Trade Practice) Regulation, 2003.
17. Explain the following types of orders under NEAT Screen-
 - (a) Regular lot orders
 - (b) Special trade orders
18. Elaborate the advantage and disadvantages of debentures.
19. Enumerate the provisions related to Adjudicating Authorities, its composition and powers under the Money Laundering Act, 2002.
20. What are the qualifications required for membership of recognized stock exchanges under the Securities Contract (Regulation) Rule 1957.
21. Explain the norms of establishment, incorporation and management of the Board under SEBI Act 1992.
22. What are the eligibility norms for membership in a stock exchange? Also state the rights of the members.
23. Explain the procedure for registration of a stock broker under SEBI (Stock Broker & Sub-Broker) Regulation 1992.
24. Define the term fraud under SEBI (Prohibition of Fraudulent and Unfair Trade Practice) Regulation, 2003

Section C

(Long Answer Type Questions)

Answer any 2 questions. Each answer should not exceed 800 words. Each question carries 16 marks. (Marks 2x16=32)

1. Describe the various windows of the NEAT screen.
2. Write a detail note on types of Government securities. Also discuss their trading mechanism.
3. Explain the settlement cycle. Discuss in detail the following-
 - (a) Dematerialized settlement
 - (b) Physical settlement

4. Explain in detail the functions of the Board constituted under SEBI Act, 1992 to protect the interest of the investors.
5. Define the term inter broking. Discuss its trading process in detail.
6. Enumerate the features of Central Depository Services Ltd (CDSL). Who are the depository participants of CDSL? Explain the services offered by CDSL.
7. What do you mean by Over the Counter Exchanges of India? Enumerate their objectives, participants and the trading mechanism.
8. What are the requirements with respect to the listing of securities on a recognized stock exchange under Securities Contracts (Regulation) Rules, 1957.
9. Write a detailed note on NSDL.
10. Explain the order type and condition attached to them.
11. Discuss the provisions of survey, search of persons, power to arrest and retention of property and records under the Money Laundering Act 2002.
12. Give a detailed note on Prohibition of manipulative, fraudulent and unfair trade practices.
13. Analyse the margin requirement in the rolling settlement.
14. Discuss the clearing and settlement process in the secondary capital market.
15. Write a note on the settlement agencies in the stock market operation.
16. Discuss the various types of securities issued by the Government of India
17. Discuss the nature of preference share and indicate the features of it.
18. When is a stock broker or a sub broker liable for monetary penalty under the SEBI (Stock broker & sub brokers) regulation, 1992?
19. Discuss the procedure for inspection. Also give the details on board's right to inspect under the SEBI (Stock broker & sub brokers) regulation, 1992?
- 20.** Write an essay on rationale, functions and scope of OTCEI.
21. Write a note on Prohibition of fraudulent and unfair trade practices relating to the securities market.
22. Explain the general conditions for public issues and right issues under the SEBI (issue of capital and disclosure requirements) regulations 2009.
23. Explain in detail the provision related to bonus issue under the SEBI (issue of capital and disclosure requirements) regulations 2009.
24. What is electronic transfer of securities? Explain the mechanism of electronic transfer of securities.