

**576343(76)**

**676543(76)**

**M. B. A. (Third Semester) Examination,  
Nov.-Dec. 2020**

**(New Scheme)**

**(Specialization : Finance Management)**

**(Management Branch)**

**WORKING of STOCK EXCHANGES**

***Time Allowed : Three hours***

***Maximum Marks : 80***

***Minimum Pass Marks : 32***

***Note : Solve any two questions from each unit. Each question carries 8 marks.***

**Unit-I**

1. Comment on the role of National Stock Exchange and Bombay Stock Exchange in developing the Financial Market of India.

2. Explain the role of depositaries of the two major exchange in Fascillating Investment in Financial Markets.
3. What are the essential requirement a company should posses to become a registered stock broker. Comment on the broker role in the process of stock trading.

### Unit-II

4. Write short notes on the following :
  - (a) Stop loss order
  - (b) Market order
  - (c) Limit order
  - (d) Cover order
5. Explain book building process for initial public offering of a stock by giving example.
6. "India has a well developed debt market with variety of debt instrument available for trading". Comment on the above statement.

### Unit-III

7. "A good index is a trade off between diversification and liquidity". Comment on the above statement.

8. Assume a market capitalilization weighted index methodology. Compute the index value for current period. Assume equal weight to all stock. Assume base index as 1000.

Company	Current Market Capitalization Rs/Lakh	Bas Market Capitalization Rs/Lakh
Grasim	1,668,791.10	1,654,247.50
Telco	8,72686.30	860,018.25
SBI	1,452,587.65	1,465,218.80
Wipro	2,675,613.30	2,669,339.55
Bajaj	660,887.85	662,559.30

9. What is a Mutual Fund? Differentiate between open ended scheme and close ended scheme of mutual fund.

### Unit-IV

10. What are derivatives? Differentiate between futures and options.
11. Comment on the characteristics of future contract. Specific all characterize future contract on stock and index traded in N.S.E.
12. What are exchange trade funds? Name any three exchange traded fund in India.

**Unit-V**

13. Comment on the growth of “National Stock Exchange as a major Stock Exchange of India”.
14. Discuss how impact cost and liquidity of a stock play a major role in stock price movement.
15. Discuss two major scams in history of Financial Market of India. Namely “Harshad Mehta Scam” and “UTI Scam”.