

**2021**

**FINANCIAL MARKETS MANAGEMENT**

Marks: 70

Time: 3 hours

**General instructions:**

- i) *Approximately 15 minutes is allotted to read the question paper and revise the answers.*
- ii) *The question paper consists of 24 questions. All questions are compulsory.*
- iii) *Marks are indicated against each question.*
- iv) *Internal choice has been provided in some questions.*

**N.B:** *Check that all pages of the question paper is complete as indicated on the top left side.*

- |     |   |   |
|-----|---|---|
| 1.  | What is an index?                                       | 1 |
| 2.  | What is turnover ratio?                                 | 1 |
| 3.  | Who is a stock broker?                                  | 1 |
| 4.  | What is activity log?                                   | 1 |
| 5.  | Define snap quote.                                      | 1 |
| 6.  | What is rolling settlement?                             | 1 |
| 7.  | Define impact cost.                                     | 1 |
| 8.  | When did NSE commenced derivative trading?              | 1 |
| 9.  | State the two segments of the securities market.        | 2 |
| 10. | Mention any two special features of outstanding orders. | 2 |
| 11. | What is Wireless Application Protocol?                  | 2 |
| 12. | Differentiate between pay-in and pay-out day.           | 2 |
| 13. | Write four settlement agencies.                         | 2 |
| 14. | Highlight the benefits of the trading members of NSE.   | 4 |
| 15. | State any four special features of order status.        | 4 |

16. Explain any four different order books in the NEAT system. 4
17. Discuss the core process involved in the settlement. 4
18. Discuss any four points of the securities settlement. 4
19. Explain any four reasons of popularity of index derivatives. 4
20. Write four differences between forwards and futures. 4
21. a. Explain any six documents required for cancellation of registration for trading member/ sub-broker. 6  
Or  
b. Explain the consequences of expulsion of a trading member.
22. a. Explain the market phases of trading system. 6  
Or  
b. Explain the regular lot matching.
23. a. Explain any six salient features of 'Direct payout' to investors. 6  
Or  
b. State any six levy of margin for institutional deals.
24. a. Explain any six futures terminologies. 6  
Or  
b. Explain the two types of risks in investment with an example.

\*\*\*\*\*