

2022

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 27 questions.*

iii) *Marks are indicated against each question.*

iv) *Internal choice and general options has been provided in 6 marks questions.*

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

1. Name the two types of memberships offered at NSE. **1**
2. Which stock exchange was the first to introduce NEAT system? **1**
3. What is the purpose of order status? **1**
4. Who is a custodian? **1**
5. Give the full form of NSCCL. **1**
6. Define the term derivative. **1**
7. What is a futures contract? **1**
8. What does beta measure? **1**
9. State the difference between cash component and non cash component. **2**
10. Mention any two eligibility criteria to be a sub-broker. **2**
11. State any two benefits of cross margining on the off-setting position. **2**
12. Mention any two custodial trade reports. **2**
13. Write any two limitations of forward markets. **2**
14. Explain any four points on declaration of defaulter of a trading member. **4**
15. State the special features of activity log. **4**

- 16. Explain the stop loss matching. 4
- 17. What is the purpose of Market By Price (MBP)? Write its special features. **1+3=4**
- 18. State any four steps in transaction cycle. 4
- 19. Write the important terms used in the Indian Contract Act. 4
- 20. What are the uses of stock market indices? 4

Answer any **three** from question No. 21 to 26

3 x 6 = 18

- 21. Explain any six trading members code of advertisement prescribed by the exchange.
- 22. Explain any six admission procedures for new membership at National Stock Exchange of India.
- 23. What is NEAT system? Discuss the advantages of the screen-based trading system. (1+5=6)
- 24. Discuss the trading system users hierarchy.
- 25. Explain the types of securities settlement.
- 26. Explain any six salient features of limited physical market settlement.
- 27. **a.** Explain the future pay-off for buyer and seller with diagram. 6
Or
b. Explain any six option terminologies.
