PART A — (6 x 6 = 36 marks)

State the provision of the Depositor Act, 1996.

3. SEBI regarding insider trading.

4. What is Insider Trading? State the provision of new issue of shares.

5. What is the role of merchant banking in the case primary market.

2. Explain the methods of selling securities in the state the main provision of SCRA 1996.

1. Answer any FIVE out of EIGHT questions:

Maximum : 100 marks

Time: THREE hours

SECURITIY MARKET OPERATION

Finance

Fourth Semester

M.B.A. DEGREE EXAMINATION, JUNE 2014

MBM 4004
6. What is meant by Depository receipt?

7. Give a note on:
   (a) Preference shares
   (b) Sweat equity.

8. What do you mean by money market? Give a brief account of money market instruments.

   PART B — (5 × 10 = 50 marks)

   Answer any FIVE out of Eight questions.

9. Give a detail account on the RBI guidelines relating to foreign institutional investment.


11. Elaborate on the nature, role and importance of
    (a) Underwriters
    (b) Brokers
    (c) Registrar, in the process of issue of capital.

12. Explain the provisions of SEBI relating to listing of securities in a stock exchange.
Case Study: compulsory

PART C — (1 × 20 = 20 marks)

16. Give a detailed account on various debt instruments available for trading in Indian market.

15. Evaluate the reaction on the new hybrid instruments in Indian capital market.

14. Of NSDL:

State the process of issuing ADR and GDR in

13. What do you mean by Depository Participant?

Information Investment decision, based on the above
(c) What factors will you watch to take an
(d) Discuss on the developments in Indian Stock
(e) Which stocks gained positive and negative

Question:
investors have been net buyers of nearly $430 million over the last eight sessions, helping ease some of the concerns in a year dominated by worries about the U.S. Federal Reserve's tapering of its monthly bond buying and the outlook for China's economy.

"Foreign buying is supportive, so while markets may remain range-bound from hereon, stock-specific moves will continue," said Paras Adenwala, managing director and principal portfolio manager at Capital Portfolio Advisors. The benchmark BSE index rose 0.53 percent, or 110.69 points, to end at 20,811.44. The broader NSE index rose 0.5 percent, or 30.65 points, to end at 6,186.10. Both indexes marked their highest close since Jan. 24.

Among blue chip stocks, Axis Bank rose 3.8 percent, while Larsen and Toubro ended 2.8 percent higher. Tata Power Co Ltd closed up 5.1 percent after the federal power regulator said it could raise tariffs for electricity from its plant in Mundra in India's Gujarat state, a decision also likely to boost its earnings outlook. Pfizer Ltd surged 9.7 percent after earlier marking its highest intraday level since Dec. 9, after the company said a unit of its parent Pfizer Inc will buy close to a 61 percent stake from two other units after an internal restructuring. Info Edge India Ltd shares ended 1.8 percent higher. It earlier hit its all-time high of 708.05 rupees on news Facebook Inc's $19 billion offer for mobile-messaging startup WhatsApp was seen raising valuations for internet-based companies.

ICRA Ltd shares rose 20 percent, its maximum daily limit, after largest shareholder Moody's Corp, announced a conditional open offer to acquire up to 2.6 million shares in it at 2,000 rupees a share for about $84 million. However, shares of another Indian rating agency Credit Analysis and Research Ltd fell 8.4 percent after the company said bids for a share sale by stakeholders were rejected "after no bid was found acceptable". NTPC Ltd also slumped 11.8 percent, after earlier marking its lowest level since Oct. 27, 2008, after the electricity regulator tightened incentives on capacity utilisation and tax treatments for the state-owned company, according to analysts.

On the same day Euro rises to day's high versus dollar after German IFO, Brent rises above $110 on hopes for revived demand, Shares sag as China market sputters, yen recovers, Foreign institutional investor flows and For closing rates of Indian ADRs.