

2025
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 26 questions.*
- iii) *Marks are indicated against each question.*
- iv) *Internal choice has been provided in 6 marks questions.*

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

Choose the correct answer from the given alternatives:

1. Secondary market comprises of 1
 - a) Equity, derivatives and debt markets
 - b) Over – the – counter
 - c) Initial public offering
 - d) Bluechip index

2. NISM stands for 1
 - a) National Institute of Science Market
 - b) National Institute of Securities Market
 - c) NSE Institute of Securities Market
 - d) National Individual Securities Market

3. When did the National Stock Exchange launch the interest rate futures? 1
 - a) June 9, 2008
 - b) July 10, 2008
 - c) August 25, 2009
 - d) August 31, 2009

4. The first exchange in the world to use satellite communication technology is 1
 - a) BSE
 - b) NSE
 - c) NYSE
 - d) Dow Jones

5. The pre-open session is from 1
 - a) 9:00 am to 9:15 am
 - b) 9:30 am to 9:45 am
 - c) 10:00 am to 10:15 am
 - d) 10:30 am to 10:45 am

6. Who is responsible for post trade activities of stock exchange? 1
 - a) NSDL
 - b) NSE
 - c) BSE
 - d) NSCCL

17. Mention the four benefits of trading members of NSE. 4
18. Write any four special features of order status. 4
19. Write the four different types of order book in the NEAT system. 4
20. Many years back, Mrs. Abeni bought 200 shares of a leading automobile company. As per the settlement procedure she paid for the shares and received the share certificates in physical form. However, when she had sent those certificates to the company to get them endorsed in her name, she was informed by the company that those certificates were duplicate. Therefore, in order to protect the investor from many such malpractices, now only screen-based trading is done and dematerialization is compulsory.
In the context of the above case:
- i) What is screen based trading? 1
 - ii) Give the meaning of dematerialization. 1
 - iii) State any two advantages of dematerialization. 2
21. Explain any four functions of a clearing bank. 4
22. Explain any four reasons of popularity of index derivatives. 4
23. a. Explain any six reforms of Indian securities market. 6
Or
b. Discuss the consequences of expulsion of trading member.
24. a. Explain any six key features of market watch screen. 6
Or
b. Explain any six supplementary functions of menu list box.
25. a. Discuss any six salient features of direct payout to investors. 6
Or
b. Explain any six dealing in securities is deemed to be fraudulent or unfair trade practices relating to securities market.
26. a. What is forward contract? Explain the features of forward contracts. 1+5=6
Or
b. Explain the twelve futures terminologies. (12x ½ =6)
