

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.**

**COURSE CODE: 19VB/VM/IS34**

**B.VOC (BFSI) DEGREE EXAMINATION – NOVEMBER 2021**

**COMMERCE – SHIFT II**

**COURSE : MAJOR – CORE**

**PAPER : INDIAN SECURITIES MARKET**

**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**Answer all the questions:**

**(7 x 4 = 28)**

1. What is Mobilization of Savings?
2. List any four objectives of listing the securities.
3. Who is a Full-Service Broker?
4. What is Badla Financing?
5. State any four functions of a stock exchange.
6. What is a SCRIP?
7. What is Insider Trading?

**SECTION – B**

**Answer any TWO questions:**

**(2 x 16 = 32)**

8. Explain the various steps involved in Trading of securities on a stock exchange.  
**(16 Marks)**
9. a) Bring out the difference between Bank and Depository. **(10 Marks)**  
b) Who is a Depository Participant? Explain. **(6 Marks)**
10. What is an Order Management System? Explain the different types of orders?

**SECTION – C**

**Answer any ONE question:**

**(1 x 40 = 40)**

- 11. (a) CASE STUDY –**

**(3X5 = 15 Marks)**

David IT Services Private Limited, has been in the Information Technology industry for the past 10 years and their major client base is the Investment Banking Sector. They started off as a small IT service provider in Chennai in the year 2009 and have managed to have their PAN India presence with a good reputation. The company now has received a contract for a massive project and are in need for long-term funds to execute the project. The directors of the company have decided to consult their Investment Banker for guidance and recommendations. Imagine yourself to be the Investment Banker and answer the below questions.

- i) The company after an internal meeting with the directors have decided to go public but there are few directors who are against going public. Do you think it is advantageous for the company to go public? Justify your answer.
- ii) Looking at the company's reputation would you assume the risk of being an underwriter for the company?
- iii) Assume that the company has decided to go public, what are the documents that the company should submit with the stock exchange?

(b) Briefly explain the methods of floating capital. **(15 Marks)**

(c) Discuss in detail the various need for business capital. **(10 Marks)**

12. (a) CASE STUDY **(3X5 = 15)**

A speculator asks his broker to buy for him 1000 shares of a particular company at Rs 100 each, which he will not have to pay for it at once. He would order his broker to immediately sell the shares at Rs 120 where the price has risen even before the arrival of the day fixed for settlement. He would make a profit of Rs 20 per share and thus make a total profit of Rs 20,000. However the case mite be different if the price does not rise above the buying price, then he would incur a loss.

- i) Based on the above illustration, identify the type of speculator and explain.
  - ii) How are investors different from speculators?
  - iii) Which type of a speculator are you? Illustrate the activity of the speculator you have identified yourself to be.
- (b) Discuss the factors responsible for the introduction of measures of regulation and control of the Indian Capital Market. **(15 marks)**
- (c) What are the powers vested with the SEBI to regulate stock exchanges in India? **(10 marks)**

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