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64021

Paper 1

Q1. A. Match the following: (Any 8)

8 Marks

Column A		Column B	
1	Primary Market	a	New Issues Market
2	Sweat equity	b	Issue shares at a discount
3	Red Herring Prospectus	c	Upper & lower price bands
4	FCCB	d	Foreign currency convertible bonds
5	ADR	e	Depository Receipts issued in USA
6	RBI	f	Bank
7	Jobber	g	Member of stock exchange
8	Money Market	h	Deals with maturities of less than one year
9	SEBI	i	Investor protection
10	Broker	j	Intermediary between buyer and seller

b. State whether True or False : (any 7)

7 marks

- The IPO process is governed by the RBI
- Bulls are people who believe market will go down.
- IPOs help in listing of securities.
- BSE was established in 1875.
- The 'BSE Sensex' is value-weighted index composed of 30 stocks.
- Prices in Primary Market are determined by market forces.
- Stock exchange is also referred as organized stock market.
- A right issue is when a company issues its existing shareholders a right to buy additional shares in the company.
- Investor's interests are very much protected by the stock exchange.
- RBI is the queen bee of the financial system which influences the commercial banks management.

True: - 3, 4, 5, 7, 8, 9, 10

False: - 1, 2, 6

Q2, Q3, Q4, & Q5

(It's on the discretion of examiner)