

**K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH**

**Program: PGDM(Financial Services), Trim II (Batch 2018-2020)**

**Subject: Financial Institutions and Markets**  
**(End Trimester examination)**

**Maximum Marks: 50**

**Duration: 3 hours**

**Date: January 8, 2018**

**Notes:**

**Q. No. 1 is COMPULSORY. Answer ANY 3 complete questions from the rest.**

**Question** **1**  
**(20 Marks)**

- a) The Board of ABC Ltd, a listed company, has decided to make a Preferential Issue of equity shares of Rs.200 crore. Explain the conditions to be fulfilled and the procedure to be followed. (10 marks)
- b) Explain the various reforms undertaken by the government in the debt market in the wake of the Harshad Mehta scam. (10 marks)

**Question** **2**  
**(10 Marks)**

- a) Explain the role of the Compliance Officer under the SEBI (Prohibition of Insider Trading) Regulations, 2015. (5 marks)
- b) Why do companies issue ADRs and GDRs? Briefly outline the process of issuing the same. (5 marks)

**Question** **3**  
**(10 Marks)**

- a) Explain with examples the types of orders that a client (retail or institutional) can place on a trading platform. (5 marks)
- b) Briefly explain why and how stock exchanges conduct market surveillance. (5 marks)

**Question** **4**  
**(10 Marks)**

- a) Who are Registrars and Share Transfer Agents? Explain their role and responsibilities in a public issue of securities. (5 marks)
- b) Discuss the various instruments traded in the money market. (5 marks)

**Question** **5**

**(10 Marks)**

Write short notes on ANY TWO of the following: (5 marks each)

- i. A Qualified Institutional Placement
- ii. Promoters' contribution
- iii. Underwriters to an Issue
- iv. Algorithmic Trading

-----End of Paper-----