



SEBI- GRADE A

STOCK BROKERS | PRACTICE QUESTIONS



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Q 1.) Which of the below statements are incorrect with respect the Stock brokers-

- 1. The transaction entered cannot be cancelled or made invalid except in the case of fraud, misrepresentation or in case of a material mistake.**
- 2. the stock broker may on behalf of his client buy or sell securities from his own account.**
- 3. While buying or selling securities as a principal for the clients the stock broker has to obtain the consent from SEBI.**
- 4. The stock brokers have to be registered with Companies act 2013 in order to function as brokers.**

Codes:

- a) All are incorrect**
- b) 2,3 & 4 are incorrect**
- c) Only 2 is incorrect**
- d) 3 & 4 are incorrect.**

Q.2) The application by a Sub-broker for obtaining certificate shall be made in which form-

- a) Form A**
- b) Form B**
- c) Form C**
- d) Form D**

Q.3) Which of the following statements are not correct with respect to Stock brokers for grant of certificate-

- 1. He has the necessary infrastructure like adequate office space, equipment and manpower to effectively discharge his activities.**
- 2. Whether he has any past experience in the business of buying, selling or dealing in securities.**
- 3. Whether he was subjected to disciplinary proceedings under the rules, regulations and bye-laws of a stock exchange with respect to his business of a stock broker**
- 4. Whether he has a net worth of Rs500 crore or more.**

Codes:

- a) All are correct**
- b) Only 4 is incorrect**
- c) 2 & 3 are incorrect**
- d) 1, 2 ,3 are incorrect.**

Q.4) An applicant may, being aggrieved by the decision of the Board regarding grant of certificate may apply within a period of how many days from the date of receipt of such intimation to the Board for reconsideration of its decision-

- a) 60 days**
- b) 30 days**
- c) 90 days**
- d) 10 days**

Q.5) Which of the following is not a secondary market intermediary with respect to the securities market services-

a) Credit Rating agencies

b) Portfolio Managers

c) Chartered Accountants

d) Stock Brokers