

Time: 2 ½ Hours

75 marks

Note:

All questions are compulsory.

Figures to right indicate marks.

Q1. A. Fill in the blanks (any 8)

8 marks

- \_\_\_\_\_ is a procedure where an issuer designs a marketable financial instrument merging various financial assets into one group.
- Forfeiting is usually more costly than \_\_\_\_\_ as it results in higher export costs.
- \_\_\_\_\_ agrees to take a specified number of shares or debentures offered to the public if the issue is not fully subscribed by the public.
- \_\_\_\_\_ is the purchase of exporter's receivables at a discounted price by paying cash.
- \_\_\_\_\_ act as intermediaries in the purchase and sale of securities in the primary and secondary markets.
- \_\_\_\_\_ is a financial arrangement that is typically used by small and medium sized business to help them maintain a steady cashflow.
- \_\_\_\_\_ is the oldest stock exchange in India.
- The traders relating to the rolling settlement are settled on \_\_\_\_\_ basis
- The NSE is value weighted index composed of \_\_\_\_\_ stocks.
- The 'BSE Sensex' or Bombay Stock Exchange' is value weighted index composed of \_\_\_\_\_ Stocks.

A. True or False (any 7)

7 marks

- Derivate market is an OTC market.
- CDSL is an exchange in India.
- SPV stands for Specific Purpose Vehicle.
- Venture capital finances through debt.
- D credit rating stands for default.
- Payments made by the leasee is tax deductible.
- Credit card is an example of revolving credit.
- Bill of Exchange is a negotiable instrument.
- A credit score from 1 to 1000 depicts consumer credit worthiness.
- PTC stands for put through certificate.

Q2. A. What is factoring? Definition, Types and procedures of factoring.

8 marks

B. Explain the bill market scheme.

7 marks

OR

C. Explain the process of forfeiting. Discuss its advantages.

8 marks

D. What is factoring? Definition, Types and procedures.

7 marks



- Q3. A. Explain the functions of merchant banker. 8 marks  
B. Explain the clearing and settlement procedure in the Indian stock market. 7 marks

OR

- C. Explain the feature of securitisation. Also discuss its pros and cons. 8 marks  
D. What is an underwriter and what do they do and discuss the different types of underwriters. 7 marks

- Q4. A. Discuss the types of leasing and also discuss its advantages. 8 marks  
B. Explain the various stages of venture capital financing and also discuss its advantages. 7 marks

OR

- C. Discuss the limitation of credit rating. 8 marks  
D. Discuss the credit rating ageing in India. 7 marks

Q5.

- A. Write about hire purchases on brief. 8 marks  
B. Explain the functions of national housing bank. 7 marks

OR

- C. Short notes (any 3) 15 marks  
1. Broker to an issuer  
2. Special Purpose Vehicle  
3. NHB  
4. Foreign Brokers  
5. Underwriters