



Note: 1. All questions are compulsory carrying 15 marks each.

2. Figures to the right indicate full marks.

**Q-1(a). Fill in the Blanks. (Any 8)**

(8)

1. A \_\_\_\_\_ is when a company issues its existing shareholders a right to buy additional shares in the company.
2. PFRDA was established on \_\_\_\_\_.
3. BSE Sensex index consists of baskets of \_\_\_\_\_ stocks.
4. \_\_\_\_\_ regulates the money market.
5. \_\_\_\_\_ bonds are securities that do not have a fixed coupon rate.
6. \_\_\_\_\_ bank is the most important type of deposit bank.
7. The \_\_\_\_\_ banks have been set up to supplement the efforts of cooperative and commercial banks to provide finance to rural sector.
8. \_\_\_\_\_ represents a negotiable receipt of funds deposited in the bank for fixed period.
9. \_\_\_\_\_ is an unsecured instrument issued in the form of promissory note.
10. \_\_\_\_\_ refer to services provided by the financial industry.

**Q-1(b). State True or False. (Any 7)**

(7)

1. Interest rates influence the level of investment in an economy.
2. The unorganised sector is largely made up of indigenous bankers and government.
3. Mutual fund is a way of reducing your potential financial loss or hardships.
4. The IPO of bank process is ultimately regulated by SEBI.
5. Origination refers to the work of investigation, analysis and processing of new project proposals.
6. The interest on corporate bonds are not taxable.
7. Commodity market is a market for buying and selling of debt securities.
8. A put option contains the right to sell a futures contract.
9. Treasury bills which are promissory notes or financial bills issued by the RBI on behalf of government of India.
10. The role of custodian is to act as an investment manager of a trust.

**Q-2(a). Explain the characteristics that contribute to the development of debt market**

(8)

**Q-2(b). What are the powers and functions of SEBI?**

(7)



**OR**

**Q-2(c).** Explain the functions of RBI. (traditional, supervisory and promotional)

**(15)**

**Q-3(a).** What are the types of leases? Explain

**(8)**

**Q-3(b).** Write short notes on commercial papers and inter-corporate deposits.

**(7)**

**OR**

**Q-3(c).** Define government securities. Explain the various types of government securities.

**(15)**

**Q-4(a).** Explain merits and demerits of credit card.

**(8)**

**Q-4(b).** Explain types of financial services.

**(7)**

**OR**

**Q-4(c).** Define a stock Exchange. What are the functions and benefits of stock exchange?

**(15)**

**Q-5(a).** Define Red herring prospectus. State the features.

**(8)**

**Q-5(b).** Explain the IPO process.

**(7)**

**OR**

**Q-5(c).** Short Notes (Any 3)

**(15)**

1. Explain the role of corporate debt market in economic development.
2. What is a capital market? State the classification of capital market.
3. Write a short note on Call money market.
4. How does banking and non-banking intermediary support each other.
5. What are fund based services. Explain any 2.

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