

Dt:- 21/3/23

DEBT MARKET-1: SYBFM SEM 3

Time: 2 ½ hours

Marks: 75

- Note: 1. All questions are compulsory subject to internal choice.
2. Figures to the right indicate full marks



Q 1 (A) Fill in the blanks choosing the correct alternatives (Any 8)

(8)

- _____ is an example of marketable assets.
(shares, pension funds, provident funds, promissory notes)
- _____ creates liquidity
(Insurance market, Primary market, Secondary market, Local market)
- _____ bonds redeem before maturity.
(Pot provision, Call provision, Conversion, Face value)
- SEBI Act _____
(1990, 1991, 1992, 1993)
- _____ has middle range of maturity
(T-Bills, T-Notes, T-Bonds, T- Invoice)
- _____ bond is long term over 12 years.
(Municipal, Corporate, Government, Local)
- _____ has no collateral
(Debenture, Variable rate, Income, Notes)
- _____ rate is satisfactory credit quality
(A, AAA, B, C)
- _____ rate is highest credit quality.
(AAA, A, BB, C)
- Yield increases bond prices _____
(Rise, Fall, Equal, Constant)

Q 1 (B) True or False (Any 7)

(7)

- Money market is long term market.
- Debt holder has voting rights
- Indian capital markets are regulated by NSE.
- Hybrid securities has features of equity and debt.
- Bonds and stocks are same.
- Bonds are fixed income securities.
- Moody, Fitch are bond rating agency.
- Junk bond carry rating of BB.
- Secondary market is new issue market.
- Exchange rate affects bond price.

Q2 A Explain different instruments of money market.

(8)

Q2 B Explain the benefits of Money market

(7)

OR

Q2 C Difference between Bond Market and Stock Market (8)
Q2 D Explain the advantages and disadvantages of Debt market. (7)

Q3 A Explain the various Debt Market Instruments. (8)
Q3 B Explain the participants of Indian Debt market. (7)

OR

Q3 C Explain the role of SEBI for investor protection. (8)
Q3 D Explain in brief Treasury Bill (7)

Q4 A Explain the characteristics of bonds. (8)
Q4 B Explain the functions of Bond rating (7)

OR

Q4 C Explain the types of bonds (8)
Q4 D Difference between Primary market and Secondary market (7)

Q5 A Functions of credit rating agency. (7)
Q5 B Explain the factors affecting the bond price. (8)

OR

Q5 C Short Notes: (Any 3) (15)

1. Indian Debt Market
2. Factors affecting Bond Market.
3. SEBI
4. Selective Tools of Monetary Policy
5. Yield curve