

18/10/19.



(8)

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)

1. _____ performs the central banking functions in India.
2. _____ means shares which are issued by company to its directors or employees at a discount or for other considerations.
3. _____ rate bonds are bonds on which coupon rate is fixed for entire duration of bond.
4. _____ represents a negotiable receipt of funds deposited in the bank for fixed period.
5. _____ are bonds with no coupon payments.
6. _____ is a product whose value is derived from the value of one or more underlying asset.
7. Registration with _____ is mandatory to carry out the business of merchant bankers in India.
8. _____ refer to services provided by the financial industry.
9. Preference ordinary shares are _____ with special rights.
10. In the case of _____, the issuer offers credit and overdraft facilities.

(7)

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

1. NBFC stands for Non-Banking Financial Corporation.
2. The unorganised sector is largely made up of bankers and investors.
3. Secondary market deals with listed and non-listed securities.
4. Government bonds are backed by state or central government.
5. The corporate debt market in India basically comprises of PSU and private sector bonds.
6. Speculators wish to bet on future movements in the price of an asset.
7. Treasury bills which are promissory notes or financial bills issued by the RBI on behalf of government of India.
8. Venture capital is a form of "risk Capital".
9. The merchant banking activity in India is governed by AMFI.
10. In the primary market the existing securities are traded.

(8)

Q-2(a). Explain the types and causes of inflation.

Q-2(b). What are the corporate bonds? Explain its merits and demerits. (7)

OR

Q-2(c). Define financial intermediaries. Explain banking intermediaries. (15)

Q-3(a). Explain the importance of development of the corporate debt market. (8)

Q-3(b). What are debt instruments? Explain characteristics. (7)

OR

Q-3(c). Define a stock Exchange. What are the functions and benefits of stock exchange? (15)

Q-4(a). Define Red herring prospectus. State the features. (8)

Q-4(b). Explain the IPO process. (7)

OR

Q-4(c). What are the characteristics of derivatives? Explain its merits and demerits. (15)

Q-5(a). Explain Stock splits, ex-dividend, DRIPS and treasury stock. (8)

Q-5(b). Explain the constituents of Indian financial system. (7)

OR

Q-5(c). Short Notes (Any 3) (15)

1. Write a short note on E – wallets.
2. State the SEBI guidelines for Merchant bankers in India.
3. Explain the money market instruments. (any 3)
4. Explain the classification of mutual fund by structure.
5. Explain features of forward contracts.
