

SYBBI sem III Reg & A.T.K.T. Exam Oct-2019.

SYBBI

Subject : Financial Markets

SEM-III

AY: 2019-20

11/10/19.

[Time: 2 ½ Hours]

[Marks: 75]

- Note:** 1) All questions are compulsory.
2) Figures at right shows full marks for questions
3) Use of simple calculator is permitted.
4) Working notes should form part of answers.



Q.1(A) Choose the correct alternatives from the options given below: (Any Eight) (08)

- 1) _____ is a system where there is exchange of funds or transfer of money from the areas of surplus to the area of deficit.
a) Financial System b) Primary Markets c) Commonly Markets d) Derivative
- 2) _____ was established on April, 1935 in accordance with the provisions of Reserve Bank of India Act, 1934.
a) RBI b) SEBI c) MUF d) MCX
- 3) _____ is a financial asset that derives its value from an underlying asset
a) Commodity Securities b) Foreign Exchange c) Derivative d) Fixed Income Securities
- 4) _____ are investors who earn from discrepancy in prices between the two exchanges or between two different maturities of the same commodity.
a) Speculators b) Arbitrageurs c) Brokers d) Hedgers
- 5) _____ markets are defined as the markets where securities/shares which are initially issued by companies are traded.
a) Secondary Derivative b) Primary c) Commodity d)
- 6) _____ means admission of securities to dealings on a recognized stock exchange.
a) Listing b) Delisting c) Trading d) Fundamental Analysis
- 7) Securities and Exchange Board of India (SEBI) was established in the year _____
a) 1990 b) 1993 c) 1988 d) 2000
- 8) The debt market is also termed as _____ market.
a) Equity b) Commodity c) Foreign Exchange d) Fixed Income
- 9) _____ analysis is the forecasting of future financial price movements based on examination of past price movements.
a) Fundamental b) Technical c) Industrial d) Economic
- 10) _____ agrees to take a specified number of shares or debentures offered to the public if the issue is not fully subscribed by the public.
a) Underwriters b) Merchant banker c) Forfeiting d) Companies

Q.1 (B) State whether the following statements are True or False (Any Seven) (07)

- 1) Secondary market deals with listed Securities.
- 2) Securities firms can act both as brokers and as dealers.

- 3) An investor who holds bonds has partial ownership in a corporation.
- 4) Banks, Insurance Companies, AMCs, etc. are examples of Financial Intermediaries
- 5) Primary market deals with listed Securities.
- 6) Securities firms can act both as brokers and as dealers
- 7) An investor holds shares has partial ownership in a corporation.
- 8) Fund base and fee based are types of Financial Services.
- 9) At present ,the Government f India issues three types of Treasury Bills through auctions namely 91 days, 182 days and 364 days.
- 10) Capital market and Money market are one and the same.

- Q.2(A) Define Money Market. Explain its advantages and disadvantages. (08)
- Q.2(A) What are the various methods of raising funds in the primary markets? (07)

OR

- Q.2(P) Discuss the various instruments in Money Market. (08)
- Q.2(Q) Explain the term Book Building. (07)
- Q.3(A) What are the various components of Capital Market? (08)
- Q.3(B) Distinguish between Equity Market and Debt Market. (07)

OR

- Q.3(P) Explain the various factors responsible for growth of capital market in India. (08)
- Q.3(Q) What are the characteristics of money market? (07)
- Q.4(A) What is an Intermediary? Explain the role of intermediary in the development of financial market. (08)
- Q.4(B) Explain in details about regulatory bodies in India. (07)

OR

- Q.4(P) Elaborate the weaknesses of the Indian Financial System. (08)
- Q.4(Q) Explain in detail the operation of Primary Market in india. (07)
- Q.5(A) What are the functions of the stock exchanges? (08)
- Q.5(B) What are the various instruments of Capital Market in India. (07)

OR

- Q.5 Write short notes (Any three) (15)
1. Money Market
 2. Debentures
 3. ASBA
 4. Primary market
 5. RBI
