

[Time: 2:30 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. Attempt all questions.
 2. Figure to the right indicate full marks.

Q.1 A) Fill in the blanks. (Attempt any 8)

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- 1) The ----- is the most important type of deposit banks.
 - a) Commercial Bank
 - b) Co-operative Bank
- 2) Value of money ----- with the occurrence of interest.
 - a) Depreciates
 - b) Appreciates
- 3) ----- is a financial market for buying and selling debt securities.
 - a) Commodity market
 - b) Debt market
- 4) Treasury Bills are ----- securities and pay no interest.
 - a) Zero coupon
 - b) Payment coupon
- 5) Equity derivatives are derivative instruments with underlying assets based on -----.
 - a) Equity securities
 - b) Preference securities
- 6) ----- is the person who buys the right conveyed by the option.
 - a) Option Holder
 - b) Future
- 7) A ----- is an investment vehicle that allows resources in order to purchase stocks, bonds and other securities.
 - a) Mutual funds
 - b) Derivation
- 8) The financial service can also be called -----.
 - a) Financial intermediations
 - b) Financial derivatives
- 9) In ----- Resources are mobilized by companies through issue of new securities.
 - a) Primary Market
 - b) Secondary Market
- 10) Fixed return on bond is often termed as the -----.
 - a) Interest rates
 - b) Dividend rates

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- B) State whether the following statements are true or false (**Attempt any 7**) 07
- 1) Investments is what helps you meet your shorter tem needs and medium financial goals.
 - 2) Stagflation is the rate where costs rise due to economic trends of spending products and services.
 - 3) The debt market in India comprises of many categories.
 - 4) New market is a market where firms go to the public for the first time through Initial Public Offering (IPO)
 - 5) Hedger don't face risk associated with the price of an asset.
 - 6) Equities don't represent the ownership in a company.
 - 7) Credit cards are prepared cards.
 - 8) In India, Merchant Bankers do not provide the services of loan syndication.
 - 9) Speculators wish to bet on future movements in the price of an assets.
 - 10) DIPP stands for Department of Industrial Promotion and Procurement.

Q.2 Answer **any one** of the following. 15
A) What is inflation and its causes?

OR

B) Explain an overview of Indian Financial System with reference to savings and investment in India.

Q.3 Answer **any one** of the following. 15
A) Explain securities market in detail. What are the functions of securities market?

OR

B) Explain meaning of Bond market and explain the structure of Indian Bond Markets in detail.

Q.4 Answer **any one** of the following. 15
A) Explain classification of financial instruments in detail.

OR

B) What is Derivative market? What are the benefits of derivative markets with reference to India?

Q.5 Answer **any one** of the following : 15
A) 1) What is financial services? Explain its features and importance.

2) Explain in detail about progress and scope of merchant banking in India.

OR

B) Write short notes (**Any 3**)

- 1) Factors affecting selection of mutual funds
- 2) Services of merchant Banks
- 3) Limitations of mutual funds
- 4) Problems of Merchant Bank
- 5) E - Wallets