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Question Paper Set of

S.Y.B.I.M. – Sem-III

Regular Exam

University of Mumbai

October, 2018

SUBIM (sem3)
27/10/18

Duration: 2 ½ hours   Max marks: 75

NOTE :   i.   All questions are compulsory.
             ii   Figures to the right indicate full marks.
             iii   Draw neat and clean diagram whenever necessary.

Q1. Choose correct alternatives. (Any 8)   8 Marks

1. Information systems can facilitate supply chain management by _____
    a. Tracking the status of orders   b. Rapidly communicating orders
    c. Providing product specifications   d. Doing all of the above

2. EFT stands for _____
    a. Easy Fund Transfer   b. Equality Fund Transfer
    c. Electronic Fund Transfer   d. Electronic Fund Translator

3. How the transactions occur in e-commerce?
    a. Using e-media   b. Using computers only
    c. Using mobile phones only   d. None of the above

4. Secure Sockets Layers does which of the following?
    a. creates a secure, private connection to a web server   b. encrypts information
    c. sends information over the internet   d. all

5. Which type of e-commerce focuses on consumers dealing with each other?
    a) B2B   b) B2C   c) C2B   d) C2C

6. The criteria used to access how user and business needs are met in software.
    a. Compatibility   b. Security
    c. Scalability   d. Functionality

7. The flow of information through MIS is _____
    a. need dependent   b. organization dependent
    c. information dependent   d. management dependent

8. _____ is card brand for credit card.
    a. MasterCard   b. Credit   c. Debit   d. None of these.

9. The full form of SET in E-commerce is _____
    a. Secure Electronic Tax   b. Secure Electronic Transaction
    c. Secure Electronic Territory   d. Secure Electronic Tunnel

10. Which of the following option does not appear in the Pivot table pane?
    a. Column labels   b. Report filter   c. Values area   d. Cell

Q1.B   State whether the following statements are True or False (Any 7)   7 Marks

1. COUNTIFS is a statistical function.
2. ERP stands for Enterprise reverse planning.
3. When set to TRUE, the lookup function gives the closest match to the lookup_value
    without going over the lookup_value.
4. Internet commerce is the name for direct computer-to-computer transfer of transaction
    information contained in standard business documents.
5. You can paste the copied data to more than one selected cell or range.
6. Multimedia content are not important to e- business.
7. SHTTP stands for Secure Hypertext Transfer Protocol.
8. Debit cards are plastic cards the size of a credit card that contains an embedded chip on
    which digital information can be stored.
9. A combination of software and information designed to provide security and information
    for payment is called a digital wallet.
10. Telnet is a Television Network.

Q2. A. Explain the Pillars of E commerce framework. 8 Marks

B. Explain in brief the Architecture of E commerce Applications? 7 Marks

OR

Q2. Explain the Anatomy of E commerce Application. 15 Marks

Q3. A. Define of ERP? Explain the History and need of ERP. 8 Marks

B. What are the Emerging trends of ERP? 7 Marks

OR

Q3. What is MIS? Explain Role of MIS and Components of MIS 15 Marks

Q4. A. Explain in brief MIS –a support to the Management. 8 Marks

B. Explain in brief Electronic Wallet and Online Stored Value payment system 7 Marks

OR

Q4. A. Explain the concept of SET? 8 Marks

B. What are the six dimensions of E-commerce security? 7 Marks

Q5. A. What is Header and Footer? Steps to insert it in MS Word document with example. 8 Marks

B. Explain the following MS Excel functions with its syntax 7 Marks
   1. DATE()
   2. HLOOKUP()
   3. MONTH ()
   4. NOW ()
   5. COUNTIF ()
   6. TIME ()
   7. SUM ()

OR

Q5. **Write Short Notes (Any 3)** 15 Marks
   1. Absolute & Mixed Cell References
   2. Hypertext publishing
   3. MIS and User
   4. Server Firewall
   5. CGI

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SYBIm SEM- III

TIME – 2$\frac{1}{2}$ hours

Q.P. Code: 22383

26/10/18

Marks – 75

Note:

    a. All Questions are Compulsory

    b. Use of Simple Calculators is permissible

    c. Total Marks are indicated at the Right hand side of the page

Q.1. a) Choose the correct options from the question and rewrite the statement:
(Attempt any 8 out of 10) (8M)

1. Securities Contract Act came into existence from _____ .

a. 1946

b. 1956

c. 1966

2. _____ is the oldest Stock Exchange in India.

a. BSE

b. NSE

c. LSE

3. Give the full form of SCRA

a. Securities Contract Restriction Act

b. Securities Contract Regulation Act

c. Securities and Companies Regulation Act

4. _____ refers to the practice of measuring and estimating causes of risk effects.

a. Risk Management

b. Risk Assurance

c. Risk Evaluation.

5. _____ risk arises due to non-convertibility of investment into cash or cash Equivalent.

a. Liquidity

b. Market

c. Currency

6. _____ means curing of the effectiveness of a risk.

a. Risk Management

b. Risk Assurance

c. Risk Mitigation

7. _____ is form of financial investment

a. Equity Shares

b. Antiques

c. Office premises.

8. Investment made in securities for more than 1 year is _____ investment.
   a. Short term
   b. Medium term
   c. Long term

9. Which of the following account gives lowest interest ?
   a. Savings Bank
   b. Current
   c. Fixed Deposits

10. _____ is paid last in the advent of liquidation of company
    a. Debentures
    b. Preference Shares
    c. Equity Shares

Q.1. b. **State whether the following statements are True or False:**
   (Attempt any 7 / 10)   (7M)
   1. Saving Deposits gives overdraft facility.
   2. Investment in Insurance fund is non-financial investment.
   3. SCRA deals real estate contacts.
   4. Equity Shares are generally considered the highly risky investment avenues.
   5. Debentures allow an investor to vote in company's AGM.
   6. Market risk refers to the risk of internal business environment.
   7. Blue Chip Shares are usually referred to as financially sound companies.
   8. SBI provides investment guidelines in Indian financial markets.
   9. Investment in physical gold is much safer than financial instrument.
   10. Ethical practices are covered under corporate governance.

Q.2. a) What do you mean by Contract? Explain different types of contracts in brief. (8M)

Q.2. b) Define stock exchange ? Explain Essentials of listing requirements for
       recognition.
                                                                            (7M)
                                    OR
Q.2. c) How Securities Contract Act works in dealing with Securities?   (8M)

Q.2. d) Explain different types of securities traded on stock exchange.   (7M)

Q.3 .a) State the various types of Stakeholders. What are their expectations
       from organisations?
                                                                            (8M)

Q.3. b) Write explanatory note on Risk Mitigation process.   (7M)
                                    OR
Q.3. c) Explain the procedure of risk Evaluation.   (8M)

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Q.3. d) What do you mean by Risk Governance? What are the various sources of

risk governance? (7M)

Q.4. a) Explain the meaning of Investment Management. Why investment
Management is important? (8M)

Q.4. b) Calculate the value of a share of Rs. 10 face value on (i) yield on capital employed basis
and (ii) Dividend basis. The market expectation is 12%. (7M)

Year	Capital Employed (Rs. In Lakhs)	Profit (Rs. In Lakhs)	Dividend (%)	Weights
2015	05	0.8	12	1
2016	08	1.60	15	2
2017	10	2.20	18	3
2018	15	3.75	20	4

Use weighted average yield and weighted average dividend to calculate the value per share.

OR

Q.4. c) What is Bond ? Explain various types of bonds. (8M)

Q.4. d) Company issues 15% Debentures having face value of Rs.100 each at a price of Rs.110
for 5 years. company redeem the Debentures at 5th year on premium of Rs.5. Calculate NPV of
Debenture and offer advice to investor whether to invest or not? (PVF@ 10%) (7M)

Q.5. a) Explain the procedure of investment. (8M)

Q.5. b) What are the major components of Financial Literacy. (7M)

OR

Q.5. c) Write Short Notes on: (Any 3 out of 5) (15M)

1. Features of Preferred Stock.

2. Risk Reports

3. Types of stock.

4. Risk Handling.

5. RBI and Investor Education.

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SYBIM Sem-III

Q.P. Code: 23528

29/10/18

Time 2.30 hours

Marks 75

Note: 1) All questions are compulsory, Subject to internal choice.
2) Figures to the right indicate full marks.

Q1 A)Fill in the blanks and rewrite the statements by choosing the correct option (any 8) **(8)**

1. _____ means commitment of funds with the hope of earning returns. (investment, gambling, speculation)

2. _____ investors follow the index.(active, passive, regular)

3. _____ risk cannot be controlled. (systematic, unsystematic, market)

4. _____ investment means exchange of shares, bonds, real estate, etc. (economic, financial, tax saving)

5. _____ objectives do not have priority and are not very painful. (short term high priority, low priority, long term high priority)

6. Beta of the market is always equal to _____ (zero, 1, -1)

7. _____ is the first step in portfolio management (analysis, selection, revision)

8. Standard deviation and variance are statistical measures used to measure _____ in investment (risk, return, volatility)

9. 'n' indicates _____ of securities in a portfolio. (nominal, number, network)

10. A portfolio which provides highest return at lowest risk is known as _____ Portfolio(efficient, limited, maximum)

Q1 B) Match the following and rewrite. (any 7) (7)

Column A	Column B
1. Debt	a) Shares and debentures
2. Tax saving	b) Riskless profits
3. Stock market investment	c) Portfolio
4. Diversification of risk	d) Multi index model
5. Arbitrageur	e) Total gain
6. Capital + current returns	f) LIC investment
7. Asset allocation	g) Fixed return
8. Transaction cost	h) Portfolio construction
9. Feasible set	i) Opportunity set
10. $R = \alpha + \beta mRm + \beta 1R1 + \ldots$	j) Buying & selling of securities

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Q2   A) What is the meaning of investment? What are the characteristics of investment? (7)

  B) Explain the role of portfolio managers in managing of funds. (8)

OR

Q2   P) What are the advantages of portfolio management? (8)

  Q) Explain the types of investors. (7)

Q3   A) Calculate Beta of the following security. (7)

Year	Returns on X %	Returns on Market %
1	41	40
2	33	34
3	40	42
4	10	15
5	29	30

  B) Find out the risk and return for X & Y. (8)

Situation	Probability	Return of X (%)	Return of Y (%)
Recession	0.25	110	180
Stagnation	0.25	130	150
Normal	0.30	160	100
Boom	0.20	190	70

OR

Q3   P) Calculate portfolio risk and return. (7)

Securities	Return	Standard deviation	Proportion
ABC	15	0.20	40
XYZ	20	0.40	60

r = -0.36

  Q) Explain the Markowitz "Modern Portfolio theory" in detail. (8)

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Q4 A) Explain the concept of Portfolio Revision. What are the strategies used for revision of a portfolio? (8)

B) Why is there a need to evaluate your portfolio? (7)

OR

Q4 P) The details of three portfolios are given below. Compare these portfolios on performance using the sharpe's, treynor's and Jenson's measures. Comment and rank them according to the performance.

Portfolio	Average return (%)	Std. deviation	Beta
1	15	0.25	1.25
2	12	0.30	0.75
3	10	0.20	1.10
Market	12	0.25	1.00

The risk free rate of return is 9%. (15)

Q5 A) A bond of Rs. 100 face value carries a coupon rate of 15% and is redeemable after 7 years at a premium of 5%. If the required rate of return is 16%, what is the present value of the bond? The current market price of the bond is Rs. 150. Advise the investor whether the bond should be purchased or not. (7)

B) A bond of Rs. 1000 has a coupon rate of 6% p.a. and maturity period is 3 years. The bond is currently selling at Rs. 900. What is the yield to maturity in investment of this bond? (8)

OR

Q5 P) Write short notes on (any 3) (15)

a) Multi-Index model
b) Bond Risks
c) Investment environment
d) Decomposition of performance
e) Types of investments

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SYBIM SEM-III

30/10/18

QP Code : 23425

[Time : 2½ Hours] [Total Marks : 75]

N.B : 1. All the questions are compulsory.
2. Figures on the right indicate full marks.

Q1. (A) Fill in the blanks by choosing appropriate option given in the bracket (any 8) : 8

(1) Mutual fund is to be registered with _____ which regulates securities market before it collect funds from the public.
(SEBI, RBI, AMFI)

(2) _____ is charged when an investor exists the mutual fund scheme.
(Entry load, Exit load, Penalty)

(3) _____ is an open fund that tracks an index like an index fund but trades like a stock in an exchange.
(Exchange tracket fund, debt fund, balanced fund)

(4) G-secs are valued at _____.
(market price, cost price, margin)

(5) Debt Fund is a _____.
(Short term capital gain, long term capital gain, dividend)

(6) _____ refers to rules of good conduct that is applied in every walk of life.
(ethics, code of conduct, morals)

(7) _____ offers fixed returns.
(mutual funds, fixed deposits, equity funds)

(8) Investment securities transactions are accounted for on a _____ date basis.
(Purchase, Selling, Trade)

(9) The fund maintain its books of account on an _____ basis.
(advance, receipt, accrual)

(10) _____ are profits returned by mutual fund.
(Dividends, Interest, Cash)

Q.1 (B) State whether the following statements are true or false (any 7) 7

(1) While making decision about investing money, fund manager ignores investor's personal tax situation.

(2) Ministry of finance is the Supervisory of both RBI and SEBI.

(3) Benchmarking is the process of comparing one's business processes to industry bests or best practices from other industries.

(4) Financial advisor charge separate fees from investor for the service.

(5) Fixed deposits are not liquid.

(6) KYC is the process to get more information of a business entity.

(7) Minimum net worth for the AMC is 20 crores.

(8) Indian Trust Act of 1882 is not applicable to mutual fund.

(9) Mutual funds offer fixed returns.

(10) AMC stands for Asset Management Corporate.

[TURN OVER

Q2. (A) What are the accounting policies of mutual fund scheme ?   8
Q2. (B) What is the process of selecting a mutual fund ?   7
OR
Q2. (C) What are the advantages and disadvantages of investing in Mutual funds ?   15

Q3. (A) Following information is avaliable in respect of mutual fund :   10

Cash & Bank Balance	₹1,10,000
Bonds & Debentures	₹14,00,000
Equity Shares	₹25,00,000
Govt. Securities	₹20,10,000
Expenses Accrued	₹1,50,000
No. of units outstanding	₹1,00,000

Find out NAV per unit.
Q3. (B) Write a note on Systematic Investment Plan.   5
OR
Q3. (C) Suppose a scheme with 2000 units has the following items in its balance sheet : 10

Unit capital	₹20,000
Investment at market value	₹50,000
Other assets	₹7,000
Other liabilities	₹4,000
Issue expenses not written off	₹1,000
Reserves	₹34,000

Find NAV per unit.
Q3. (D) Write a note on fund selection criteria.   5

Q4. (A) Distinguish between Bank Fixed Deposits & Mutual Funds.   8
Q4. (B) Write steps in Financial Planning.   7
OR
Q4. (C) What is Financial Planning ? What are the characteristics of Financial planning ? 15

Q5. (A) What are the types of mutual fund products ?   15
OR
Q5. (B) Write short notes : (any 3)   15
    (i) Colour coding of mutual funds products
    (ii) Benchmarking
    (ii) Financial advisor
    (iv) Contingency fund
    (v) Sponsor

Salary	45,000
Factory expenses	25,000
Trade fair expenses	10,000
Depreciation on Plant	15,000
Depreciation on computer	10,000
Depreciation on Delivery Van	10,000
Direct salary	25,000
Interest Received	20,000
Custom Duty paid for purchase of Raw Material	1,50,000
Debenture interest paid	25,000
Freight inward	10,000
Custom duty paid on purchase of plant	25,000
Direct wages	1,00,000
Other direct charges	25,000
Goodwill written off	10,000

Number of units sold 8,000 units at cost plus 12% profit.
Direct salary is to be allocated to factory, office and selling in the ratio of 2:1:2

Q3

OR

Q2 KBC Ltd. has furnished the following information from the financial books for the year ended 31st march, 2017.

Trading and profit and loss A/c

Particulars	Amount (R.s.)	particulars	Amount(R.s.)
To opening stock (Finished goods 2500 units)	5,00,000	By sales (47,500 units)	1,19,70,000
		By closing stock((Finished goods 5000 units)	10,00,000
To raw materials	41,60,000		
To direct wages	30,30,000	By commission received	70,000
To factory expenses	20,36,000	By Bad debts Recovered	24,000
To office and administrative expenses	16,90,000	By Net loss	72,000
To selling and distribution expenses	14,00,000		
To goodwill w/off	1,20,000		
To loss on sale of investments	2,00,000		
	1,31,36,000		1,31,36,000

2

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The following information is revealed from the cost records for year ended 31st march, 2017.

(a) Raw material consumption is Rs 80 per unit of production.
(b) Direct wages are 70% of Direct material.
(c) Factory overheads are recovered @ 50% of direct material
(d) Administrative overheads are taken @20% of works cost.
(e) Selling and Distribution overheads are recovered Rs 30 per unit.
(f) Opening stock of Finished goods is valued at Rs 203.60 per unit.
(g) Closing stock of Finished goods is to be valued at cost of production.
(h) Selling price is recorded at Rs 250 per unit.

Prepare : (1) Detailed cost statement showing total cost per unit cost and profit.
            (2) Statement of Reconciliation.

Q3 The product of a company passes through three distinct processes to completion. These **(15)** processes are known as A,B & C. From the past experience, it is ascertained that wastage is incurred in each process as under:

Process A-2%, Process B-4%, Process C-10%.

The wastage at each Process possesses scrap value. The Wastage of Processes A and B is sold at Rs.2.50 per unit and that of Process Cat Rs.5 Per unit. The output of each unit passes immediately to next Process and finished units are transferred from process C into Stock.
The following information is obtained.

Particulars	A	B	C
Material	2,70,000	2,60,000	1,20,000
Wages	4,30,000	2,40,000	1,30,000
Direct Expenses	1,37,500	1,45,000	1,80,000

50,000 units were put in Process X at a cost if Rs.10 per unit. The output of each Process is as follows:

Process X- 48,750 units, Process Y- 47,000 units, Process Z – 42,000 units.

There is no stock of work in progress in any process. Prepare the Process accounts.

OR

Q3 M/s. Sultan & Co. provides you the following data for the month of January,2018 about **(15)** processes P,Q & R.

Particulars	Process P	Process Q	Process R
Basic Raw Material Introduced (Units)	9,000	1,578	1,725
Cost of Basic raw Material Per unit (Rs.)	5.00	6.00	7.00
Labour Charges (Rs.)	26,000	18,000	15,000
Factory Overhead (Rs.)	15,220	7,437	7,830
Normal Loss (% of total number of units input)	6%	5%	4%
Scrap value Per unit (Rs.)	3.00	4.00	5.00

Output sold at the end of the process (%)	30%	40%	100%
Output Transferred to next process (%)	70%	60%	-
Selling price per unit of the output sold at the end of the process (Rs.)	6.75	8.75	9.25

Other Common Expenses not chargeable to Process accounts:
Office and Administration Overheads Rs 15,000.
Selling and Distribution Overheads Rs 11,818.
You are required to prepare process P, Q and R Accounts indicating clearly profit or loss in each process and costing Profit and Loss account.

Q4(a) From the following calculate (i) contribution per unit (ii) Margin of safety (iii) Volume of sales to earn a profit of R.s. 80,000.(iv) P.V.Ratio
Total fixed cost R.s. 60,000
Total variable cost R.s. 1,20,000
Total sales R.s. 2,00,000
Unit sold 20,000

Q4(b)

	Standard	Actual
Output (units)	100	2500
Material (K.g.)	120	29,800
Price of material (R.s.)	50	51

Calculate:
a- Material cost variance
b- Material price variance
c- Material usage variance

OR

Q4(p) ABP ltd. provides following information.

Particulars	2016	2017
Sales (R.s.)	5,00,000	7,00,000
Profit (R.s.)	1,00,000	1,50,000

Calculate:
1- P.V. Ratio
2- B.E.P.
3- Profit when sales R.s.12,50,000.
4- Sales to earn a profit of R.s. 1,90,000.

Q4(q) From the following particulars calculate:
a- Material cost variance
b- Material price variance
c- Material usage variance

	Standard	Actual
Material	500 k.g.	450 k.g.
Price	R.s. 12 per kg	R.s. 16 per kg

Q5(a) What are the causes of difference between profit as per cost account and profit as per financial account? (8)

4

Q5(b) What are the advantages and disadvantages of standard costing?

(7)

OR

Q5 **Write short notes (any three)**
    i-   Breakeven point.
    ii-   Margin of safety.
    iii-   Cost Centre.
    iv-   Advantages of process costing.
    v-   Limitation of marginal costing.

(15)

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Duration: 2 $\frac{1}{2}$ Hours

Marks: 75

N.B 1) All questions are compulsory, subject to internal choice.

2) Each question carries 15 marks.

Q1 a State whether true or False (attempt any 8)

8 marks

1. Payback method always gives same results compared to NPV method.
2. Different sources do not have same cost of capital.
3. Investments are shown in assets side of Balance Sheet.
4. Liquid Assets are those that are expected to be converted into cash in the normal course of business.
5. Net present value, profitability index, payback and discounted payback are methods to evaluate projects
6. In present value tables, all values are more than 1.
7. The most crucial financial decisions of the organization are taken by management.
8. A capital investment is one that has the prospect of long-term benefits.
9. Issuing Bonds are internal source of investment funding.
10. Financial statements are an important source of information to shareholders and stakeholders.

Q1 b Match the Column (attempt any 7)

7 marks

Sr.no	Column A	Sr.no	Column B
1	Traditional Method	a)	Treasurer
2	Preference Share capital	b)	Turnover
3	P/E Ratio	c)	EPS
4	Economic Value added	d)	Finance Controller
5	Sales	e)	Capital structure
6	Earning per share	f)	Pay back period
7	Return on investment	g)	Paying dividend at fixed rate of percentage.
8	Debt Plus Equity	h)	Price Earning Ratio
9	Controlling of Expenditure	i)	ROI
10	Raising of Fund	j)	EVA

Q2. A) Define finance and explain importance of finance.

8 marks

B) Explain EVA and its merits

7 marks

OR

53595

Duration: 2 $\frac{1}{2}$ Hours   **Marks: 75**

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OR

53595   Page **1** of **3**

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Q. 2) A) Find the present Value of the following cash flow   **8 marks**

Year	Cash Flow (Rs.)	Discount Factor @ 10%
1	1,60,000	0.9091
2	1,44,000	0.8264
3	1,60,000	0.7513
4	2,40,000	0.6830
5	80,000	0.6209
6	50,000	0.5645
7	40,000	0.5132

B) Calculate EVA from the following data   **7 marks**

Particulars	Rs. lakhs
Average Debt	125
Average Equity	85
Profit after tax before exceptional item	30
Interest after tax	8
Cost of Debt (post tax)	6%
Cost of equity	12%

Q3. Mr Krish and Co is considering two different projects, Projects X and Project Y are mutually exclusive project each requiring initial cash outflow of Rs. 80,000. Rate of return required is at 8%. The net cash flows is expected to be generated by the project are as follows: (ignore depreciation) (PV of RE. 1 @ 8% should be taken upto 4 decimals only)

Year	Project x	Project y
1	30,000	50,000
2	30,000	5,000
3	30,000	15,000
4	30,000	50,000

You are required to calculate:

1. The net present Value of each Project
2. The profitability index for each project.
3. Payback period

Which project should be accepted? Give Reason.   **15 marks**

OR

Q3. A firm whose cost of capital is 12% is considering two mutually exclusive projects x and y, the details of which are: (PV of RE. 1 @ 8% should be taken upto 4 decimals only). (ignore Depreciation)

Particulars	Years	Project x	Project y
Cash Outflow	0	18,000	28,000
Cash inflows	1	5,000	20,000
	2	6,000	10,000
	3	8,000	5,000
	4	10,000	3,000

Compute the discounted payback, Net Present Value and Profitability Index, of the two projects.   **15 marks**

Q4. Calculate the Market price of the share as per Gordon Model & Walter model if retention ratio is A) 40% B) 50% c) 60%

Internal Rate of Return	12%
Cost of Capital	10%
Earning Per Share	Rs.5

15 marks

OR

Q4.

Debt As % of Total Capital Employed	Cost of Debt%	Cost of Equity (after Tax) %
0	5.0	11.0
30	5.0	11.5
40	6.0	12.0
50	6.5	14.0

You are required to determine the optimum debt equity mix for the company by calculating total cost and composite cost of capital when total capital employed is Rs. 10,00,000.

15 marks

Q5. A) What are advantages and disadvantages of hybrids?   **8 marks**

B) Relationship between EVA, MVA and share price. Explain IRR what are merits and demerits.

7 marks

OR

Q5 Short notes on any 3

15 marks

1) Factors determining Dividend Policy
2) Importance of capital budgeting.
3) Functions of treasurer
4) Features of venture capital.
5) Types of debentures.

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SUBIM Sem-III

02/11/2018

Q. P. Code: 30962

Time: $2\frac{1}{2}$ Hours

Marks: 75

Q.1.a. Fill in the blanks: (Any 08)   08

1. SEBI stands for _____.
2. _____ is that part of the Capital Market that deals with the issue of new securities.
3. _____ is a market where buyers and sellers engage in trade of financial securities.
4. There are _____ stock exchanges at present in India.
5. _____ is the document evidencing a debt or acknowledging it and any document which fulfills either of these conditions.
6. IOSCO stands for _____.
7. PFRDA stands for _____.
8. The persons registered with SEBI as Debenture Trustee under SEBI (Debenture Trustee) Regulations, 1993 are only eligible to be appointed as _____ of collective investment schemes.
9. _____ is the instrument issued by companies only and can also be obtained in primary or secondary market.
10. FCEB stands for _____.

Q.1.b. State whether the following is true or false: (Any 07)   07

1. The Capital Market has two interdependent and inseparable segments, the primary market and the secondary market
2. The Collective Investment Management Company should not undertake any activity other than that of managing the scheme
3. Equities are also known as common stock.
4. ADR are denominated and traded in US Dollar
5. The first mercantile credit agency was set up in New York in 1859.
6. The Stock Exchanges at Chennai, Jaipur, Hyderabad and Pune were incorporated as companies limited by guarantee.
7. NSE was established in 1994.
8. Sensex was the oldest market index for equities in India.
9. SEBI became independent body in 1993.

Q.2.a. State the different instruments of Capital Market. Explain.   08
b. State the functions of Capital Market.   07

OR

c. What are the different features/ nature of credit ratings?   15

Q.3.a. State different types of securities and deliveries in stock exchange.   08

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b. Write in brief trading mechanism of capital market. 07

OR

c. What are the functions of Stock exchange? 15

Q.4.a. What are the conditions of eligibility for collective investment scheme? 15

OR

b. Explain the appointment of intermediaries involved in Euro issues in depository receipts. 15

Q.5.a. Explain the manner and form, voting rights and proceeds of issue of depository receipts under Companies (Issue Of Global Depository Receipts) Rules, 2014. 08

b. What is depository receipts? Why do company issue depository receipts. 07

OR

Q.5. Write short notes on: (Any 03) 15

a. Explain market making

b. Advantages of credit ratings to the company.

c. ADR and GDR

d. DMA

e. Two way fungibility.

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