

2013

[This question paper contains 2 printed pages.]

Sr. No. of Question Paper : 1651

Roll No.....

Unique Paper Code : 101633

Name of the Paper : Financial Markets & Services

Name of the Course : BBS

Semester : VI

Duration : 3 Hours

Maximum Marks : 75

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
 2. Attempt any **five** questions.
 3. Present Value Table to be provided to the students.
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1. (a) What is the relation between repo rate and lending.
(b) Briefly explain the different segments of money market in India.
(c) Write a note on role of 'Primary Dealers' in Government Securities. (5,5,5)
 2. (a) ABC Ltd. Offers a hire purchase proposal to Mr. Sharma for an equipment costing Rs. 15,00,000 as per following details : Flat rate of interest charges shall be 15% p.a. The instalments to be paid on a monthly basis over a time of one year. Calculate the annual hire purchase instalment and split it between principal and interest.
(b) What is the difference between recourse and non recourse factoring ?
(c) What are the principles followed for constructing a stock market Index. Which securities are more likely to be included in the index. (5,5,5)
 3. (a) Write a short note on functions performed by a Merchant Banker. How are these different from Investment Bankers. What changes have taken place in their roles after the Sub Prime Crisis in US in 2008.

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- (b) Show what shall be the EMI of Mr. A who has borrowed Rs. 8,00,000 for 5 years at 12 % p.a. from the bank if (a) Such a Loan is a Home Loan (b) the loan is personal or consumer loan. (7,8)
4. (a) How does CIBIL Trans-union score impact loan approval ?
(b) Discuss how a venture capital can hamper the progress of the business of the entrepreneur which is venture funded. (7,8)
5. (a) What can be the argument in for and against disinvestment of shares of Public Sector enterprises.
(b) What is 'green shoe option' ?
(c) What are the different ways in which settlement of contract can take place on a stock exchange ?
(d) Taking your own illustration show how is margin under 'MTM' computed. (6,3,3,3)
6. (a) What are the Risks Involved in Retail Loans ?
(b) What synergies exist in (i) Horizontal Mergers (ii) Vertical Mergers and (iii) Conglomerate Mergers. (6,9)
7. Write short notes on any **three** of the following :
(a) Role of Lead Manager to the issue
(b) Forfeiting and Export Factoring
(c) Poison Pill
(d) Repricing of a Home Loan (5×3)