



PG – 760

I Semester M.F.A. Degree Examination, January/February 2014
(Semester Scheme)

Finance and Accounting

Paper – 1.6 : FINANCIAL MARKETS AND SERVICES

Time : 3 Hours

Max. Marks : 80

Instruction : Answer all Sections.

SECTION – A

Answer **any ten** questions in about **3-4** lines **each** from the following. **Each** question carries **two** marks. **(10x2=20)**

1. a) What do you mean by financial system ?
- b) How are mutual funds classified ?
- c) What do you mean by equilibrium in financial markets ?
- d) What are the functions of NSE ?
- e) What are the objectives of DFHIL ?
- f) What is a derivatives market ?
- g) What do you mean by depository market ?
- h) What is under pricing ?
- i) What is factoring ? State its advantages.
- j) Distinguish between bond yield and bond price.
- k) Who are satellite dealers ?
- l) State the objectives of SEBI.

P.T.O.



SECTION - B

Answer **any three** questions in about **one** page. **Each** question carries **five** marks.

(3×5=15)

2. Explain the importance of financial services.
3. Explain the advantages and limitations of lease financing.
4. Explain the credit evaluation methods.
5. What are the objectives of venture capital funds ?
6. Explain the features of futures contract.

SECTION - C

Answer **any two** questions in about **three** pages. **Each** question carries **fifteen** marks.

(2×15=30)

7. Differentiate between money market and capital market. Discuss the various components of money market.
8. Highlight the measures taken by the Government for the development of the bill market in India.
9. Discuss the scope and objectives of venture capital funds in India.
10. Explain the role of bank rate policy as a tool of regulating money circulation in the economy.

SECTION - D

(Compulsory)

(1×15=15)

11. Describe the role of Indian Financial Sector in economic development. Explain the reforms introduced in various sectors of the financial system.



PG – 867

I Semester M.F.A. Degree Examination, February 2013
(Semester Scheme)

FINANCE AND ACCOUNTING

Paper – 1.6 : Financial Markets and Services

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **any ten** questions in about **3-4 lines each** from the following. **Each question carries two marks.** (10×2=20)

1. a) What is a rights issue ? Who is entitled for the same ?
- b) Distinguish between physical assets and financial assets.
- c) What is the base rate charged by banks on loans ?
- d) What is deregulation of interest rates ?
- e) State the objectives of money market.
- f) What are global depository receipts ?
- g) What is financial inclusion ?
- h) What is lease and sale book ?
- i) What are derivative contracts ?
- j) What is Liquidity Adjustment Facility (LAF) ?
- k) What is loan syndication ?
- l) What are zero coupon bonds ?

SECTION – B

Answer **any three** questions in about **one page**. **Each question carries five marks.** (3×5=15)

2. What are the characteristics of Financial Services ?
3. Leasing is a substitute for a term-loan. Discuss.
4. Highlight the importance of credit rating agencies.
5. Describe the factors which influence savings and investments in an economy.
6. Distinguish between venture capital and seed capital.

P.T.O.



SECTION - C

Answer **any two** questions in about **three** pages. **Each** question carries **15** marks.

(2×15=30)

7. Describe the role and functions of DFHI.
8. Discuss in detail the various services rendered by factoring intermediaries.
9. Derivatives are the hedging instruments, Discuss. Also describe the types of derivatives.
10. Describe the functions of new issue market.

SECTION - D

(Compulsory)

(1×15=15)

11. The following are the opening and closing prices of five stocks.

Stock	Closing price at time 0 Rs.	Closing price at time 1 Rs.	Number of Equity shares at time 0	Number of Equity shares at time ± 1
A	1,273	1,324	10,000	10,000
B	74	77	12,000	15,000
C	280	274	15,000	20,000
D	2171	2,280	10,000	10,000
E	1512	1,452	20,000	25,000

Calculate the market capitalization weighted index and price index using base year index as 1,000.