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M.L.DAHANUKAR COLLEGE COMMERCE  
EXTERNAL EXAMINATION – OCTOBER 22  
S.Y.B.COM (FINANCIAL MARKETS)

Marks:75

SEMESTER- III

SUBJECT : Debt Market I

Date: 6<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

Q1A) Match the Columns (any 8 out of 10)

8 marks

1.	DFHI	a) Right of bond investor to withdraw
2.	Price based auction	b) Bulldog bonds
3.	PSU bonds	c) Rate of liquidity withdrawal
4.	Reverse Repo	d) High Investment Grades
5.	Foreign currency bonds	e) short-term corporate debenture
6.	Putable bond	f) surrogates for sovereign paper
7.	Mortgage Bonds	g) Real Assets
8.	AA rated Bond	h) H. R. Khan Committee Report
9.	Commercial paper	i) Primary Dealer
10.	Partial Credit Enhancement (PCE)	j) Descending order

Q1B) True or False (any 7 out of 10)

7 marks

1. Yield curve is called as "term structure of bond rating".
2. Credit rating is an analysis of the credit risks associated with a financial instrument or a financial entity.
3. Junk bonds are issued by companies that are financially not very stable.
4. The Primary Dealer has to achieve a minimum success ratio of 90% for both government securities and Treasury Bills.
5. A yield-based auction is generally conducted when a new Government security is issued.
6. Bond which contains a clause that it shall not be paid back called a perpetual debenture.
7. Rupee denominated overseas bonds are called as Masala Bonds.
8. Provident Funds (PFs) are market intermediaries appointed by RBI who underwrite and make market in government securities.
9. If a bond's coupon rate is less than its Current Yield & YTM, then the bond is selling at a discount.
10. Sovereign Rating includes rating a country as to its creditworthiness, probability to risk etc.

Q2 A What are the different types of new debt instruments?

8 Marks

Q2 B Explain about the various participants of debt market in India.

7 Marks

OR

Q2 P Explain different post-reform scenarios of G sec market in India.

8 Marks

Q2 Q Elaborate Yield based auction in detail with example.

7 Marks

Q3 A What are the functions of CCIL?

8 Marks

Q3 B Explain the advantages of credit rating to corporate borrowers.

7 Marks

OR

Q3 P List down major recommendations of Patil committee report, 2005 for the development of secondary debt market in India.

8 Marks

Q3 Q Describe the concept of Yield to Maturity (YTM).

7 Marks

- 40  
41
- Q4 A Rs.100 par value bond bearing coupon rate of 12% per annum for 5 years available at hurdle rate of 14% per annum. Calculate fair value of the bond. 8 Marks
- Q4 B AAA bond has face value worth Rs.100 and coupon rate offered is 8% per annum. If bond will expire in 4 years and purchase price is Rs.90, then estimate the YTM of the bond. 7 Marks

OR

- Q4 P Rs.5000 par value bond bearing coupon rate of 4% per annum for 2 years available at discount rate of 8% per annum. Calculate present value of the bond if the interest is paid twice in a year. 8 Marks
- Q4 Q Government bond has face value worth Rs.1000 and coupon rate offered is 14% per annum. If bond will expire in 6 years and purchase price is in 7% premium, then estimate the YTM of the bond. 7 Marks

- Q5 A Explain the importance of Government security in Indian debt market. 8 Marks
- Q5 B What are the disadvantages of credit rating? 7 Marks

OR

- Q5 Write Short Notes On (any 3) 15 Marks
- 1 PDAI
  - 2 Uniform price auction
  - 3 Humped yield curve
  - 4 Credit rating agencies in India
  - 5 LAF



**M.L.DAHANUKAR COLLEGE COMMERCE**  
**EXTERNAL EXAMINATION – OCTOBER 22**  
**S.Y.B.COM (FINANCIAL MARKETS)**  
**SEMESTER- III**

Marks:75

**SUBJECT : EQUITY MARKET I**

Date: 7<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

**Q1A) Multiple Choice Questions (any 8 out of 10) 8 marks**

1. Merits of IPO's are  
(i) Loss of Control (ii) Loss of Privacy (iii) Excess capital (iv) None of these
2. A .....is a type of negotiable (transferable) financial security that is traded on a local stock exchange but represents a foreign security  
(i) Depository receipts (ii) Bonds (iii) Debentures (iv) Commodities
3. IPO stands for  
(i) Initial Public Offering (ii) Initial Partnership offering (iii) Initial people offering (iv) India Public offer
4. Which of these is not a product of secondary market?  
(i) Stocks (ii) IPO (iii) Bonds (iv) Debentures
5. An ..... Investor is the first investor in any round that provides subsequent investors a degree of confidence.  
(i) Retail (ii) HNI (iii) Anchor (iv) None of these
6. .... is that market in which the buying and selling of the previously issued securities is done.  
(i) Primary (ii) secondary (iii) Wholesale market (iv) None of these
7. Maximum limit of price band for IPO  
(i) 20% (ii) 10% (iii) 15% (iv) 50%
8. A Green Shoe option means  
(i) an option of allocating shares in over subscription (ii) an option of allocating shares in under subscription (iii) Buyback of shares (iv) None of these
9. Stock Split of 1 for 2 Means  
(i) Change of Face value from 10 to 5 (ii) Change of Face value from 10 to 2 (iii) Change of Face value from 10 to 6 (iv) Change of Face value from 10 to 3
10. OTC is market of  
(i) Dealers Market (ii) Stock Exchange (iii) Individuals (iv) None of these

**Q1B) True or False (any 7 out of 10) 7 marks**

1. ADR's are listed on NSE.
2. Authorized capital is more than subscribed capital
3. IPO is a secondary market product
4. Loss of control is a drawback of IPO.
5. Register is responsible for green shoe option in IPO.
6. Sensex has 30 stocks.
7. OTC Market does not have physical locations
8. Shares that tend to remain stable under difficult economic conditions are known as defensive shares.
9. Bear market means stock prices are increasing.
10. Stock split decrease the face value of stock.

- Q2 A What are shares and share capital? What are the types of shares Capital? 8 Marks  
Q2 B What is capital market? What is the role of capital market? 7 Marks
- OR**
- Q2 P Difference between ADR, GDR and IDR 8 Marks  
Q2 Q Difference between Sweat Equity and ESOP's. 7 Marks
- Q3 A What is primary market? What are the features of primary market? 8 Marks  
Q3 B What are ESOPs and Sweat Equity? 7 Marks
- OR**
- Q3 P What is Stock Exchange? What are the role and functions of stock exchange? 8 Marks  
Q3 Q What is stock market index? What are benefits of index? 7 Marks
- Q4 A Explain Book Building Process with example. 8 Marks  
Q4 B What is an IPO? What are the advantages and disadvantages of an IPO? 7 Marks
- OR**
- Q4 P Find out the value of Stock index and Free Float Market Capitalization using data below: 8 Marks  
Base Value of Sensex: 100,  
Base Market Capitalization of Sensex: 1000,00  
Current Market Capitalization of Sensex: 4, 2000,000  
Floating Factor: 0.75
- Q4 Q Explain the role of Lead Manager and underwriter in IPO process 7 Marks
- Q5 A Explain the process of Stock Trading? 8 Marks  
Q5 B What are the different Domestic and International sources of funds for Indian Companies? 7 Marks
- OR**
- Q5 **Write Short Notes On ( any 3)** 15 Marks  
1 Private Placement  
2 Green Shoe option  
3 Red herring prospectus  
4 NEAT and BOLT system  
5 IPO Grading



M.L.DAHANUKAR COLLEGE COMMERCE  
EXTERNAL EXAMINATION, - OCTOBER 22  
S.Y.B.COM (FINANCIAL MARKETS)

Marks:75

SEMESTER- III

SUBJECT :Computer Skill II

Date: 13<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

Q1A) Multiple Choice Questions (any 8 out Of 10)

8 marks

1. \_\_\_\_\_ banking called as online banking.  
1. E-banking 2. Core Banking 3. Banking 4. None of above
2. \_\_\_\_\_ makes filtering data in pivot table even easier.  
1. Slicers 2. Filter 3. Setting 4. Change data
3. If user wants use pivot chart then click the \_\_\_\_\_ tab.  
1. Design 2. References 3. View 4. Insert
4. \_\_\_\_\_ formatting allows you to automatically apply formatting such as colors, icons and other.  
1. Conditional 2. Pattern 3. Cell 4. None of above
5. \_\_\_\_\_ sign is used in the beginning of excel formulas.  
1. \* 2.= 3. - 4. +
6. A database consists of the following elements.  
1. Tables 2. Columns 3. Rows 4. All of above
7. In Hierarchical database model, at the top of hierarchy; there is only one entity. Which is called \_\_\_\_\_.  
1. Root 2. Super Parent 3. Parent 4. Child
8. \_\_\_\_\_ term refers to practices, strategy and technologies that company uses to manage customer and it's record.  
1. CRM 2. ERP 3. SCM 4. MIS
9. PIN means \_\_\_\_\_  
1. Personal Incoming Number 2. Personal Identification Number  
3. Personal Instalment Number 4. Personal Internet Number
10. \_\_\_\_\_ term of RDBMS is associated between several entities.  
1. Relationship 2. Data 3. User 4. Column

Q1B) True or False (any 7 out Of 10)

7 marks

1. Excel Tables can improve the look and feel of your workbook.
2. Pivot Table can help make your worksheets more manageable by summarizing data.
3. Pivot charts are not expected to display data from pivot table.
4. There are 3 types of cell reference available in excel.
5. Database organises the data in systematic way to access and to manipulate.
6. In flat file database all information is stored in a plain text file.
7. In RDBMS, the data in different tables is mapped with relations.
8. ERP system never supports integration of business activity and does not allow to flow information seamlessly throughout the rest of the company.
9. ATM means Automatic Teller Machine.
10. Tables are not data structures, holding the contents of the database.

- Q2 A Explain following Excel Formulas with suitable example  
1.Sum 2.Datevalue 3.Mid 4.If 8 Marks
- Q2 B Write a short note on Pivot Table 7 Marks
- OR
- Q2 P Discuss Slicer Concept with suitable example. 8 Marks
- Q2 Q Explain following concept with proper steps and example.  
1. Relative cell reference 7 Marks
- Q3 A What is Database ? Explain with one example. 8 Marks
- Q3 B Write a short note on Flat file Database model. 7 Marks
- OR
- Q3 P Explain Following concept with Example. 8 Marks
1. Super Key  
2. Candidate Key
- Q3 Q Create a Database for Bank entity with suitable tables and relationship. 7 Marks
- Q4 A Write a short note on ERP. 8 Marks
- Q4 B Discuss the Concept of SCM. 7 Marks
- OR
- Q4 P Explain importance of CRM in Business activity. 8 Marks
- Q4 Q Discuss SFA concept with suitable Example. 7 Marks
- Q5 A Explain popular services covered under E-banking. 8 Marks
- Q5 B Explain Advantages of E-banking. 7 Marks
- OR
- Q5 Write Short Notes On ( any 3) 15 Marks
- 1 ATM
  - 2 Smart Card
  - 3 Credit Card (diagram)
  - 4 Advantages of Core banking Solution
  - 5 Types of ECS



Marks: 7

**M.L.DAHANUKAR COLLEGE COMMERCE**  
**EXTERNAL EXAMINATION – OCTOBER 22**

**S.Y.B.COM (Financial Markets)**

**SEMESTER- III**

**SUBJECT : MANAGEMENT ACCOUNTING**

Date: 10<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

**Q1A) Multiple Choice Questions (any 8 out of 10)**

8 marks

1. Management Accounting deals with accounting for \_\_\_\_\_ (a) management reporting (b) Govt. reporting (c) ROC reporting (d) MCA reporting.
2. The abbreviation CFO stands for (a) Chief Fraud Officer (b) Chief Financial Officer (c) Chief Funding Officer (d) Chief Follow-up officer.
3. Quick ratio states the ability of the company to pay off \_\_\_\_\_ (a) its short term obligations (b) its short term obligations quickly (c) its long term obligations (d) its debt related to expansion
4. If the Debtors turnover ratio is 3.47 times, then the Debtors collection period will be \_\_\_\_\_ (a) 501 days (b) 100 days (c) 105 days (d) 1 month
5. If the Creditors turnover ratio is 4.48 times, then the Creditor credit period will be \_\_\_\_\_ (a) 501 days (b) 100 days (c) 81 days (d) 1 month
6. If the Gross Profit is Rs.25,000 and Net Sales is Rs. 5,00,000, then the Gross Profit Ratio will be \_\_\_\_\_ (a) 5 times (b) 5:1 (c) Rs.5 (d) 5%
7. If the Profit for Year 1 is Rs.50000 and Profit for Year 2 is Rs.90000, then the comparative profit has gone up by \_\_\_\_\_ % (a) 80% (b) 55.55% (c) 180% (d) -80%
8. If Operating Profit for Year 1 is Rs.1000, Operating Profit for Year 2 is Rs. 1400 and Operating Profit for Year 3 is Rs. 1800 then, the Trend % will look like 100% \_\_\_\_\_%, \_\_\_\_\_% (a) 240, 280 (b) 140, 180 (c) 340, 380 (d) -140, -180
9. If Sales is Rs.40,000 and Material Cost is Rs.15,000, then the Common size % for Material Cost will be \_\_\_\_\_% (a) 37.50% (b) 55.55% (c) 180% (d) -37.50%
10. Out the options given, which ones are the types of Working Capital (a) Gross working capital (b) Net working capital (c) Seasonal working capital (d) All of these

**Q1B) True or False (any 7 out of 10)**

7 marks

1. Dividend is appropriation out of Profit.
2. Debt Equity ratio is the proportion of debt & equity in the capital structure.
3. Common size analysis checks the Trend of financial data.
4. Ratio analysis is a relation between two figures calculated for meaningful comparison.
5. Absolutely quick ratio assesses the ability of the company to pay off its current liabilities with Cash & Bank.
6. Management accounting deals with managing the accounts and financial accounting deals with financing the accounts.
7. If Current Assets are Rs.40,000 & Current Liabilities are Rs.20,000, then the Current ratio is 2:1
8. If Own Funds are Rs.10,00,000/- & Borrowed Funds are Rs. 8,00,000/- then Capital Employed is Rs. 2,00,000/-
9. Working Capital deals with ability of the company to generate funds for business expansion.
10. Cash flow statement deals with movement of cash in the business.



Q2 Convert the Balance sheet in Vertical format and prepare Common size Balance sheet. (No Comments to be offered)

15 Marks

**Balance sheet of BFM Limited as on 31st March, 2022**

Liabilities	Rs.	Assets	Rs.
12% Preference Share Capital	1,20,000	Goodwill	30,500
Equity Share Capital	1,30,000	Land & Building	85,000
Reserves & Surplus	64,000	Plant & Machinery	1,20,000
10% Debentures	50,000	Investments	60,000
Creditors	30,000	Short Term Investments	75,800
Bills Payable	60,500	Debtors	50,000
Outstanding Expenses	23,000	Stock (Inventory)	30,000
		Cash & Bank	26,200
	<b>4,77,500</b>		<b>4,77,500</b>

OR

Q2 Management of Renuka Limited has appointed you as management accountant and asked you to comment on the financial health of the company based on the available data. The vertical income statement for 2 years is provided to you, you are required to prepare a Comparative statement and offer your comments on the financial health of the company.

15 Marks

Particulars	2022 (Rs.)	2021 (Rs.)
Sales	70,00,000	50,00,000
Less: Cost of Goods Sold	37,50,000	25,00,000
Gross Profit	32,50,000	25,00,000
Less Operating Expenses	7,50,000	8,00,000
Operating Profit	25,00,000	17,00,000
Less: Non-Operating Expenses	7,00,000	5,00,000
Add: Non-Operating Income	5,00,000	3,00,000
Profit Before Interest & Tax	23,00,000	15,00,000
Less: Interest	9,00,000	8,00,000
Profit Before Tax	14,00,000	7,00,000
Less: Tax @30%	4,20,000	2,10,000
Profit After Tax	9,80,000	4,90,000
Less Dividend	2,40,000	1,20,000
Retained Earnings	7,40,000	3,70,000

Q3 Following are the P&L account and Balance sheet of Sanskar Limited, Convert these statements into Vertical format and calculate following ratios:

15 Marks

- Stock Turnover Ratio
- Creditors Turnover Ratio (assume all purchases as credit purchases)
- Price Earning Ratio, Current Market Price is Rs.125 per Equity share
- Current Ratio

**Trading, Profit & Loss Account**

Particulars	Rs.	Particulars	Rs.
To Opening Stock	25,000	By Sales	1,00,000
To Purchases	80,000	By Closing Stock	25,000
To Gross Profit	20,000		
	1,25,000		1,25,000
To Admin Expenses	6,000	By Gross Profit	20,000
To S&D Expenses	3,000		
To Interest	2,000		
To Net Profit	9,000		
	20,000		20,000



f) Credit available from suppliers is 4 weeks but 20% of the creditors are paid 4 weeks in advance.

g) Bank Balance is to be maintained at Rs.60,000.

Particulars	Rs. Per unit
Raw Materials	90
Wages	40
Factory Overheads	30
Admin Overheads	40
S&D Overheads	10
Total Cost	210
Profit	40
Selling Price	250

OR

Q4 Prepare a Cash flow statement under indirect method for the year ended 31<sup>st</sup> December, 2002.

15 Marks

Balance sheet as on 31st December

Liabilities	2001 (Rs.)	2002 (Rs.)	Assets	2001 (Rs.)	2002 (Rs.)
Equity Share Capital	1,50,000	2,50,000	Goodwill	55,000	45,000
General Reserve	-	30,000	Land and Building	80,000	90,000
Profit & Loss Account	-	29,000	Plant & Machinery	40,000	1,00,000
Debentures	1,00,000	-	Stock	42,000	53,000
Sundry Creditors	57,000	46,000	Debtors	90,000	98,000
Bills Payable	30,000	6,000	Bills Receivables	8,000	12,000
Provision for Tax	-	25,000	Prepaid Expenses	6,000	4,000
Proposed Dividend	-	20,000	Cash in hand	10,000	4,000
			Profit & Loss Account	6,000	-
	3,37,000	4,06,000		3,37,000	4,06,000

Additional Information:

- During the year 2002, Depreciation of Rs.8,000 and Rs.10,000 have been charged on Land and Building and Plant & Machinery respectively.
- An interim dividend of Rs.7,500 was paid during the year 2002.
- During the year 2002, Machinery having a book value of Rs.8,000 was sold for Rs.7,000.

Q5 A Explain the functions of Management Accountant.

8 Marks

Q5 B Explain the various modes of expression in ratio analysis, give examples for each mode of expression.

7 Marks

OR

Q5 Write Short Notes On ( any 3)

- 1 Debt Service Coverage Ratio
- 2 Quick Ratio
- 3 Debt Equity Ratio
- 4 Trend Analysis
- 5 Working Capital

15 Mark



**M.L.DAHANUKAR COLLEGE COMMERCE**  
**EXTERNAL EXAMINATION – OCTOBER 22**  
**S.Y.B.COM (FINANCIAL MARKETS).**

Marks:75

**SEMESTER- III**

**SUBJECT : BUSINESS LAW**

Date: 11<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

- Q1A) True or False (any 8 out of 10)** 8 marks
1. An Agreement enforceable by Law is Contract.
  2. When Consideration is not involved in Bailment it is called Non Gratuitous Bailment.
  3. Cheque is type of Bills of Exchange.
  4. Sale is Executed Contract.
  5. Consideration means Something in return.
  6. Consideration must move at the desire of the promisee.
  7. Indemnity can be conditional.
  8. Wagering is Voidable contract.
  9. Breach of Contract is of 2 types.
  10. Property under sale of Goods means Goods.
- Q1B) Match the Columns (any 7 out of 10)** 7 marks
- | A                      | B   |
|------------------------|---|
| 1. Coercion            | a. voluntary transfer of goods                  |
| 2. Mistake             | b. two people agree on same thing in same sense |
| 3. Guarantee           | c. movable                                      |
| 4. Agency              | d. physical pressure                            |
| 5. Minor's Agreement   | e. unilateral and bilateral                     |
| 6. Bills of Exchange   | f. Surety, principal debtor, creditor           |
| 7. Dishonour of cheque | g. relationship between agent and principal     |
| 8. Goods               | h. void-ab-initio                               |
| 9. Consent             | i. upto 2 years of imprisonment                 |
| 10. Delivery           | j. unconditional order                          |
- Q2 A** Define Contract. What are the Characteristics of Contract ? 8 Marks
- Q2 B** Explain Parties Competent to Contract under Indian Contract Act. 7 Marks
- OR**
- Q2 P** Define Coercion and what are the characteristics of Coercion. 8 Marks
- Q2 Q** Explain Void agreements under Indian Contract Act. 7 Marks
- Q3 A** Define Cheque and what are the characteristics of Cheque. 8 Marks
- Q3 B** What is Negotiable Instrument and what are the characteristics of NI. 7 Marks
- OR**
- Q3 P** Explain rights of Surety. 8 Marks
- Q3 Q** Distinguish between Indemnity and Guarantee. 7 Marks
- Q4 A** Define Condition under Sale of Goods Act and what are the types of Implied Condition ? 8 Marks
- Q4 B** Explain Rule of Transfer of Property under Sale of Goods Act 1930. 7 Marks
- OR**
- Q4 P** Distinguish between Sale and Agreement to Sell. 15 Mars

Q5 A Define Indemnity and explain characteristics of Indemnity

Q5 B Define Bailment. What are the different types of Bailment.

8 Marks

7 Marks

OR

Q5 Write Short Notes On ( any 3)

1 Proposal

2 Auction Sale

3 Pledge

4 Mistake

5 Promissory Note

15 Marks



**M.L.DAHANUKAR COLLEGE COMMERCE**  
**EXTERNAL EXAMINATION – OCTOBER 22**  
**S.Y.B.COM (FINANCIAL MARKETS)**  
**SEMESTER- III**

**SUBJECT : PORTFOLIO MANAGEMENT**

Date: 12<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

**Q.1-A) Multiple Choice Questions (any 8 out of 10)**

(08)

1. Portfolio \_\_\_\_\_ means determining the actual composition of portfolio.  
i) Management ii) Construction iii) Performance iv) Evaluation
2. Lower the age higher is the \_\_\_\_\_.  
i) Risk avoidance ii) Risk Tolerance iii) Risk neutral iv) No risk capacity
3. The \_\_\_\_\_ is a relationship explaining how assets should be priced in the capital market.  
i) Capital Assets Pricing ii) Capital Market line iii) Security Market Line iv) Arbitrage pricing theory
4. Calculate Jensen measure where  $R_f=8\%$  ; Beta 1.25 ;  $R_m = 11\%$  and Actual Returns = 13 %  
i) 1.50 % ii) 1.30 % iii) 1.20.% iv) 1.25%
5. \_\_\_\_\_ is a method to calculate the rate of return of a portfolio.  
i) Holding period return ii) MWRP iii) Treynor's iv) time –weighted rate of return
6. An activity involving high risk taken to achieve high capital gains in short duration is known as \_\_\_\_\_.  
i) Investment ii) Dealing iii) Speculation iv) Gambling
7. Treynor measures consider \_\_\_\_\_.  
i) systematic risk and beta ii) unsystematic risk and beta iii) systematic risk iv) unsystematic risk
8. Purchase price = 100; Selling price =150; Dividend = 20 Calculate Holding Period Return.  
i) 50 % ii) 60 % iii) 66 % iv) 70 %
9. An aggressive common stock would have a beta \_\_\_\_\_.  
i) greater than one ii) equal to zero iii) equal to one iv) less than one.
10. Construction of extra floors to factory building is an example of \_\_\_\_\_ investment.  
i) Economic ii) Group iii) Financial iv) Social

Q.1-B) True or False (any 8 out of 10)

(07)

1. MPT uses statistical risk measure in portfolio construction to find an optimum mix of assets.
2. A portfolio manager is responsible for designing customized investment solutions for the clients.
3. Buying and selling of securities does not involve transaction costs such as commission and brokerage.
4. The total return on a portfolio includes only risk free return.
5. Speculation carries huge risk
6. Variance is the measurement of the spread between numbers in a data set.
7. A higher standard deviation means a higher risk and therefore a higher possible return.
8. The efficient frontier is a concave curve in the risk return space that extends from the minimum variance portfolio to the maximum return portfolio.
9. Portfolio revision involves changing the existing mix of securities.
10. Higher beta leads to zero volatility.

Q.2-A ) What is Immunization Portfolio Management Strategy ? Explain its features.

(08)

Q.2-B) What is diversification ? Explain reduction of risk through diversification.

(07)

OR

Q.2-P) What is formula plan ? Discuss advantages and disadvantages of formula plan.

(08)

Q.2-Q) Distinguish between Systematic risk and Unsystematic risk.

(07)

Q.3-A) What is Portfolio Management? Explain its phases.

(08)

Q.3-B) What are the various types of risks?

(07)

OR

Q.3-P) What is portfolio rebalancing? How can you rebalance your portfolio?

(08)

Q.3-Q) Difference between Active and Passive Portfolio Management Strategy.

(07)

Q.4-A) Mr. Akash, a fund manager produced the following returns for the last five years. Rate of return are also given for comparison.

(15)

	2003-04	2004-05	2006-07	2007-08	2009-10
Mr. Akash → Portfolio	6%	48%	-15%	7%	11%
Sensex - mkt	12%	40%	-6%	20%	3%

Calculate the average return and standard deviation of Mr. Akash's Mutual Fund. Did he do better or worse than senssex by these measures?

OR



Q.4-B) Compare the following portfolio according to Jensen's Measures of portfolio evaluation and rank them.

(15)

Portfolio	Returns on Portfolio	Beta	Risk Free Rate of Return
1	15%	1.5	7%
2	12%	0.9	7%
3	10%	1.2	7%
Market Index	12%	1.0	7%

Q.5-A) Explain methods of calculating rate of return on investment.

(8)

Q.5-B) What is The Efficient Market Hypothesis / Theory? Explain three form of EMH.

(7)

OR

Q.5) Write Short Notes On ( any 3)

(15)

1. Active Portfolio Management Strategy.
2. Rupee Cost averaging
- 3.Reduction of Risk through Diversification.
- 4.Advantages of Portfolio Management.
- 5.Time weighted rate of return.

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EXTERNAL EXAMINATION – OCTOBER 22  
S.Y.B.COM (FINANCIAL MARKETS)  
SEMESTER- III

Marks:75

SUBJECT : FOUNDATION COURSE III – MONEY MARKET

Date: 8<sup>th</sup> October, 2022 Time : 8:00 am to 10:30 am

Q1A) Multiple Choice Questions (any 8 out of 10) 8 marks

1. \_\_\_\_\_ are the intermediaries arranging and providing funds to the markets.  
(a) Financial Institutions (b) Financial Market  
(c) Financial Services (d) Central Government
2. Tenure of transaction in Notice Money Market is \_\_\_\_\_.  
(a) 1 day (b) 2 to 14 days  
(c) 14 days to 1 year (d) 1 – 3 years
3. \_\_\_\_\_ is at the apex in the structure of money market.  
(a) SBI (b) Central Government  
(c) RBI (d) World Bank
4. RBI \_\_\_\_\_ securities to contract liquidity of Banks.  
(a) Purchase (b) Sell  
(c) Settles (d) Buyback
5. Changes in \_\_\_\_\_, changes the rate of Commercial Papers and Certificate Deposits.  
(a) Fiscal Policy (b) Monetary Policy  
(c) Interest Rate (d) Foreign Exchange Rate
6. Discounting of Money Market Instruments is the aim of \_\_\_\_\_.  
(a) Development Bank (b) Discount and Finance House of India  
(c) EXIM Bank (d) Investment Bank
7. \_\_\_\_\_ is a repurchase agreement  
(a) Treasury Bill (b) Certificate of Deposit  
(c) Commercial Paper (d) REPO
8. \_\_\_\_\_ is the wholesale market for short term debt instruments  
(a) Money Market (b) Capital Market  
(c) Commodity Market (d) Foreign Exchange Market
9. Over the counter market is also known as \_\_\_\_\_.  
(a) Online Market (b) Mobile Market  
(c) Live Market (d) Telephone Market
10. Investment in Certificate of Deposit is made in multiple of \_\_\_\_\_.  
(a) ₹10,000 (b) ₹1,00,000  
(c) ₹5,00,000 (d) ₹50,000

Q1B) True or False (any 7 out of 10) 7 marks

1. Money Market is significant in India.
2. Marketable assets are easily transferable from one person to another.
3. NBFC's are not regulated by RBI
4. Subsidiary General Ledger is maintained with NSDL.
5. RBI was nationalised in 1948
6. Foreign Exchange Dealers Association of India is set up in 1988.
7. Under NDS-OM, if time is not selected, order remains valid for lifetime.
8. A bill accompanied with proper documents is said to be clean bill.
9. All Money Market instrument are traded at a uniform rate.
10. Custodian has a custody of money of investors investing in Mutual Fund



Q2 A	What are the features of Money Market?	8 Marks
Q2 B	What are the objectives of DFHI?	7 Marks
OR		
Q2 P	Explain the regulatory powers of RBI in controlling and developing money market.	8 Marks
Q2 Q	What is the characteristic of developed money market?	7 Marks
Q3 A	What are the advantages & disadvantages of Treasury Bills?	8 Marks
Q3 B	Elaborate the functions of FEDAI.	7 Marks
OR		
Q3 P	What are the benefits & limitations of Call Money?	8 Marks
Q3 Q	Elaborate the benefits of Commercial Bill.	7 Marks
Q4 A	What are the advantages & disadvantages of Commercial Papers?	8 Marks
Q4 B	What are the characteristics of Promissory Notes? Also state its advantages.	7 Marks
OR		
Q4 P	What are the measures implemented by SEBI in regulating Money Market Mutual Fund?	8 Marks
Q4 Q	Explain the regulatory framework of Money Market Mutual Fund.	7 Marks
Q5 A	What are the deficiencies in Money Market?	8 Marks
Q5 B	What are the recent development in Money Market?	7 Marks
OR		
Q5	Write Short Notes On ( any 3)	15 Marks
1	Chits and Nidhis	
2	FIMMDA	
3	Bankers Acceptance	
4	Cash Management Bills	
5	Certificate of Deposit	