C -D - 23/3/15 SYBFM Sem III – Debt Markets – 75 Marks – 2 ½ Marks -

(5 Marks)

Q.1 A) Expand the following

I. YTM
II. CRISIL
III. OTCEI
IV. IPA
V. CLA

(5 Marks)

B) Match the following

Group A	Group B
I. Creditorship	a. Treasury Bills
II. Credit card	b. Grades
III. Risk	c. Bonds
IV. Credit rating	d. Plastic Money
V. Money Market	e. Loss

(5 Marks)

C) Say whether the following are True or False

I. Every investment has some risk
II. Bonds are Debt Instrument
III. RBI is the controlling body of the capital market
IV. CDs are money market instruments
V. SEBI was set up in 1992

Q.2. A) What are the components of capital market? Explain (8 Marks)

B) What is Bond? Explain the features of Bonds (7 Marks)

OR

C) Explain certification of deposit as one of the money market instrument (8 Marks)

D) Write an explanatory note on liquidity adjustment facility (7 Marks)

Q.3. A) Distinguish shares with Debentures (8 Marks)

B) Explain the steps to be taken to develop corporate bond market in India (7 Marks)

OR

(15 Marks)

C) Find out YTM for the following stocks

Stocks	Coupon	Maturing	Face Value	Purchase Price
Bond A	6%	4 Yrs	Rs 1000/-	Rs 850/-
Bond B	8%	6 Yrs	Rs 1000/-	Rs 750/-

8×10=80

Q.4. A) Explain various types of risks in the capital market (8 Marks)

B) Explain various types of yield Curves with the help of graph (7 Marks)

OR

C) Find out spot interest rate for the following stocks (15 Marks)

Stock	Face Value (Rs)	Purchase Price Rs	Maturing
Bond Y	1000/-	5855/-	3 Yrs
Bond X	1000/-	7950/-	4 Yrs

Q.5 Write Short notes on Any Three (15 Marks)

a. Book Building
b. Authorized & subscribed capital
c. Discounting and Compounding factor
d. Market interest rate
e. Coupon Rate