

**MBA-I / SEM-II/ Financial Markets and Banking Operations (205) (2021-22)**

**COMPREHENSIVE CONCURRENT EVALUATION**

**Faculty Name: Prof. Nilofar A Sayyad**

**Subject: Financial Markets and Banking Operations**

**Subject Code: 205**

<b>Sr. No</b>	<b>Parameter/ Component</b>	<b>Marks</b>	<b>Date of submission</b>
1	Caselet Analysis	50	8 <sup>th</sup> July 22
2	Internal exam	50	
3	MCQ Test	50	

**CCE 1. Caselet Analysis**

1. Incorporated in 1990, Raju diary Ltd is one of the leading manufacturers and marketers of diary-based branded foods in India. In the initial years, its operation were restricted only to collection and distribution of milk. But, over the years it has gained a reasonable market share by offering a diverse range of diary based products including fresh milk, flavoured yogurt, ice creams, butter milk, cheese, ghee etc. In order to raise the capital finance its expansion plans, Raju diary Ltd. has decided to approach capital market through a mix of offer for sale of 4 crore shares and a public issue of 2 crores shares. In context of the above case: (A) Name and explain the segment of capital being approached by the company (B)

Identify the methods of floatation used by the company to raise the required capital. Give one difference between them.

2. The SEBI has imposed a penalty of 7269.5 crore on pearls Agrotech Corporation Limited (PACL) and its four directors- tarlochan singh, sukudev singh , gurmeet singh, and Subrata Bhattacharya who had mobilized funds from the general public through illegal collective investments schemes in the name of purchase and development of agriculture land. While imposing the penalty, the biggest in its history, securities and exchange boards of India said the company deserved maximum penalty for duping the common man. Its prevention of Fraudulent and Unfair Trade Practices Regulations provides for severe to severe penalties for dealing with such violation. As per SEBI norms, it can impose penalty of 25 crore or three times of the profit made by indulging in Fraudulent and unfair trade practices of the illicit gains.

In the context of the above case:

- (a) State the objectives of setting up SEBI
- (b) Identify the type of function performed by SEBI by quoting lines from the paragraph

3. Ragu works as a waiter in a five star hotel in Mumbai . while serving the customer he overhears him at the table saying that the he has made profits higher than expected by investing in securities market. So, Ragu also decides to make a nominal investments from his saving in the stock market in pursuit of higher gains:

In context of the above case: As a financial consultant, apprise him of the steps involved in the working of a de mat system.

4. Ganesh steel ltd. is a large and creditworthy company that manufacture steel for the Indian market. It now wants to cater the Asian market and decides to invest in new Hi tech machines. Since the investment is large, it requires long term finance. It decides to raise funds by issuing equity shares. The issue of equality shares involves huge floatation cost. To meet the expenses of floatation cost, the company decides to tap the money market.

(A) Name and explain the money market instrument that company can use for the above purpose.

(B) What is the duration for which the company can get funds through this investment?

(C) State any other purpose for which this instrument can be used?

5. These days ,the development of a country is also judged by its system of transferring finance from the sector where it is in surplus to the sector where it is needed most. To give strength to the economy, SEBI is undertaking measures to develop the capital market in which unsecured and short-term debt instruments are actively traded every day . these markets together help the savers and investors in directing the available funds into their most productive investment opportunity.

a. Name the function being performed by the market in the above case.

b. Also, explain briefly three other functions performed by this market.



**205 FIN: Financial Markets and Banking Operations**  
Compulsory Generic Core Course

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**Time: 2 ½ Hrs.**

**Marks: 50**

***Instructions for candidates***

- 1) All questions are compulsory
  - 2) All questions carry 10 Marks
  - 3) Figures to the right indicate full marks
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**Q. 1) Solve the following (any 5)**

**(10 marks)**

1. Define Investment Banking.
2. Write about Central Bank.
3. What is qualitative control?
4. What is CRR?
5. List the components of Indian Financial System.
6. Define RTGS.
7. What is Crypto Currency?
8. Which are the money market instruments?

**Q. 2) Write a Short note on any two –**

**(10 Marks)**

- a) Types of Banks
- b) ADR & GDR
- c) Role of SEBI in Capital Market

**Q. 3) Solve any one:**

- a) Explain the role of Financial System in Economic Development. **(10 marks)**
- b) What is Primary and Secondary market?

**Q. 4) Solve any one:**

a) Explain the various players in Indian Money Market.

**(10 marks)**

b) Describe the various Capital Market Instruments.

**Q. 5) Solve any one:**

**(10 marks)**

a) Explain Agri Banking (NABARD).

b) Explain Underwriters.