

Trimester: Sep-Dec 24		
Maximum Marks: 50 Examination: End Exam -Minor Date: 15-01-25 Duration: 03 hrs		
Program code: 01 Program: MBA Fin Minor	Class: SY	Semester/Trimester: V
College: K. J. Somaiya Institute of Management	Name of the department/Section/Center: Finance and Law	
Course Code: 217P01M536	Name of the Course: Financial Markets and Instruments	
Instructions: Answer any 5 (5*10=50M) questions out of 7		

Question No.1	Explain the features of Commercial Paper and Certificate of Deposit available under Money Market	10M																
Question No.2	<p>Information regarding two mutual funds and a market index is given below</p> <table><thead><tr><th>Fund</th><th>Return (%)</th><th>S.D. %</th><th>Beta</th></tr></thead><tbody><tr><td>Gold</td><td>9%</td><td>15%</td><td>0.73</td></tr><tr><td>Platinum</td><td>15%</td><td>34%</td><td>1.33</td></tr><tr><td>Market Index</td><td>10%</td><td>24%</td><td>1</td></tr></tbody></table> <p>Assuming the risk-free rate is 5%. Calculate the differential return, Sharpe and Treynor ratios for the two funds.</p>	Fund	Return (%)	S.D. %	Beta	Gold	9%	15%	0.73	Platinum	15%	34%	1.33	Market Index	10%	24%	1	10M
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Question No 3	Explain the steps involved in Dutch Auction Book Building Method	10M																
Question No.4	Xenith Limited to issue CPs each of Rs. 5,00,000 for a period of 180 days at an interest cost not exceeding 6.4%. XYZ Ltd. is advised that its CP would find buyers at a discounted price of Rs. 4,85,000. Will Xenith Ltd. go ahead with the issue?	10M																
Question No.5	<p>Consider a Rs 1000 par value bond whose current market price is Rs 870. The bond carries a coupon rate of 8% and has a maturity period of 9 years.</p> <p>What would be the rate of return that an investor earns if he purchases the bond and holds it till maturity? Explain the YTM result by linking its relationship with bond price.</p>	10M																
Question No.6	Explain various types of bonds available in the long-term debt market	10M																
Question No.7	<p>Write short notes on the following</p> <p>i) IPO vs FPO</p> <p>ii) Role of Book Running Lead Manager</p>	10M																