

00443

**MASTER OF BUSINESS ADMINISTRATION
(FINANCIAL MARKETS)
(MBAFM)**

Term-End Examination

December, 2013

**MCT-081 : MARKET INSTRUMENTS AND
PROCESSES - EXISTING, NEW AND EMERGING**

Time : 3 hours

Maximum Marks : 100

Note : Answer any five questions. All questions carry equal marks.

1. Explain the various types of ETFs. What are the benefits and disadvantages of each type ? 20
2. Explain the meaning of the term Structured Products. Highlight the drawbacks and advantages. Discuss the tax treatment for the same. If the markets are expected to be extremely bullish over the next few years, which type of structured product would you recommend, explain in detail. 20
3. Have the RBI and the Government taken the correct measures over the last few years as far as the monetary policy is concerned ? How should the policy move forward ? What is more important to address-Liquidity or Interest Rates, and Why ? 20

4. 'Introduction of a Demat accounts in India has helped curb Financial Scams in a big way'. Elucidate the statement. Explain the multiple benefits of Demat in the process of transmission. 20
5. If Mr. Pradeep Chinai has 500 shares of Reliance Industries in the Physical form and he wants to convert the said shares to Demat - what is the process he she would be required to follow. Explain in detail. 20
6. Explain in detail the process of hypothecation of shares in a demat account. What are the multiple points to be considered before making such loans against equity ? 20
7. What is the importance of Treasury Bills ? How does the RBI use the treasury bills issuance and what are the process undertaken for Auctions ? 20
8. Explain the various types of ETFs. Explain the benefits and disadvantages of each type. 20
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