(c) Systematic Investment Plan (SIP) and Systematic Withdrawal Plan (SWP)

(d) International Monetary System (6,6,6)

[This question paper contains 4 printed pages.]

Your Roll No..............

Sr. No. of Question Paper : 5862 **H**

Unique Paper Code : 2924000023

Name of the Paper : Introduction to Finance

Name of the Course : **Generic Elective UGCF**

Semester : IV

Duration : 3 Hours Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. This paper contains **6** questions.
3. Attempt **ANY FIVE** questions.
4. **All** questions carry equal marks.
5. Use of Time Value Tables is allowed.

1. Explain the organisation and structure of a financial system. What are the components of financial system in India? (18)

2. "Financial management is concerned with three major decisions a firm must make." What are these three decisions and how are they interrelated? (18)

3. Differentiate between Technical and Fundamental Analysis. Explain various types of charts used by technical analysts to predict future price behaviour. (18)

4. (a) Mr. X wants Rs. 5,00,000 at the end of 8 years from now. Find the amount to be deposited each year in an account offering 10% interest compounded annually.

   (b) Mr. Rahul is considering two investment proposals. The probability distribution of returns on these two stocks in different market conditions is as follows :

Economic conditions	Probability of occurrence	Rate of Return (%)	
		Stock X	Stock Y
1	0.2	-10	5
2	0.3	25	30
3	0.3	20	20
4	0.2	10	10

Based on this information, calculate expected risk and return on both the proposals. Also suggest which investment proposal is better for Mr. Rahul. (6,12)

5. Define currency exchange rate. Explain the various factors influencing exchange rate. (18)

6. Write short notes on the following : **(Attempt any three)**

   (a) Types of Financial Derivatives

   (b) Role of Finance Manager