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Name:

Reg. No.....

SIXTH SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2020

(CUCBCSS-UG)

(Supplementary/Improvement)

CC15U BC6 B14 / CC16U BC6 B14 - FINANCIAL MARKETS AND SERVICES

Commerce – Core Course

(2015, 2016 Admissions)

Time: Three Hours

Maximum: 80 Marks

PART A

Answer *all* questions. Each question carries 1 mark.

I. Choose the correct answer

1. Certificate of deposits are issued by -----
 - a) RBI
 - b) Commercial banks
 - c) SBI only
 - d) None of these
2. Market where issuers sell new shares is called -----
 - a) Secondary market
 - b) Primary Market
 - c) Stock Market
 - d) None of these
3. Merchant banking involves -----
 - a) Advisory services
 - b) Issue Management
 - c) Market operations
 - d) All of these
4. DFHI concentrates on -----
 - a) Money market instruments
 - b) Capital market instruments
 - c) Stock market activities
 - d) None of these
5. India follows -----
 - a) Unified regulatory system
 - b) Multiple regulatory system
 - c) Single regulatory system
 - d) None of these

II. Fill in the blanks

6. ----- is the link between the depository and the owner.
7. Government securities are also known as ----- securities.
8. ----- insurance provides protection to weaker sections of society.
9. ----- are financial contracts which derive their value from a spot price called underlying.
10. Rate at which RBI lends to banks is -----

(10 x 1 = 10 Marks)

PART B

Answer any *eight* questions. Each question carries 2 marks.

11. What is zero coupon bond?
12. Define capital market.
13. What is MMMF?
14. What is a commercial paper?
15. What is dematerialization of a share?
16. What is seed capital financing?
17. What is factoring?
18. What is open ended mutual fund?
19. What is credit rationing?
20. What do you mean by variable reserve ratio?

(8 x 2 = 16 Marks)

PART C

Answer any *six* questions. Each question carries 4 marks.

21. What are the developmental functions of RBI?
22. Differentiate financial lease from operating lease.
23. Explain dematerialization of a stock exchange.
24. What is primary market?
25. What is the difference between money market and capital market?
26. What is NABARD? What are its functions?
27. What is fund based financial services? Give two examples.
28. Explain the functions of insurance.

(6 x 4 = 24 Marks)

PART D

Answer any *two* questions. Each question carries 15 marks.

29. Evaluate the role of SEBI in the capital market.
30. What are the features of a developed money market?
31. Explain the significance and functions of financial system.

(2 x 15 = 30 Marks)
