

24U148

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Name :

Reg. No :

FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024

(FYUGP)

CC24U COM1 MN105 - BASICS OF FINANCIAL MARKETS

(B.Com. - Minor Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 3 marks.

1. State two features of financial markets in the Indian Financial System. [Level:1] [CO1]
2. State the purpose of insurance companies in the financial system. [Level:1] [CO1]
3. Compare the maturity periods of different Money Market Instruments such as Treasury Bills and Certificates of Deposit. [Level:4] [CO2]
4. State the purpose of the Capital Market in the financial system. [Level:1] [CO2]
5. Illustrate how Certificates of Deposit are used by financial institutions to raise funds. [Level:2] [CO2]
6. Explain how underwriters help mitigate the risks. [Level:2] [CO3]
7. Explain the significance of private placement as a method of raising capital for companies. [Level:2] [CO3]
8. Discuss the process that a company follows to initiate a Rights Issue. [Level:2] [CO3]
9. Identify and list at least three advantages of securities listing for issuers. Explain briefly how these advantages contribute to a company's growth. [Level:1] [CO4]
10. Examine how external factors, such as economic policies or global events, influence the movement of Sensex and Nifty. What recent examples illustrate this? [Level:4] [CO4]

(Ceiling: 24 Marks)

Part B (Paragraph questions/Problem)

Answer *all* questions. Each question carries 6 marks.

11. Explain the role of IRDAI in promoting and regulating the insurance industry in India. [Level:2] [CO1]

12. Discuss the role of banks in the structure of the Indian Financial System and how they contribute to economic development. [Level:2] [CO1]
13. Demonstrate how investors can use Risk-Return Analysis. [Level:3] [CO2]
14. Identify the key features of the ASBA process and explain how it benefits investors in the IPO process. [Level:1] [CO3]
15. List the mechanisms through which liquidity is provided in the Secondary Market [Level:1] [CO3]
16. List the essential features of a Private Placement. [Level:1] [CO3]
17. Illustrate a scenario where a broker successfully facilitates a trade for a client. [Level:3] [CO4]
18. Describe the purpose of obtaining regulatory approvals during the listing process. [Level:2] [CO4]

(Ceiling: 36 Marks)

Part C (Essay questions)

Answer any *one* question. The question carries 10 marks.

19. Discuss the regulatory framework governing the issuance of securities in the Primary Market. [Level:2] [CO3]
20. List the key services provided by BSE and NSE. What are their unique roles in the market? [Level:1] [CO4]

(1 × 10 = 10 Marks)
