

17U548

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Name: .....

Reg. No.....

**FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2019**

(CUCBCSS-UG)

**CC17U BC5 B10 - FINANCIAL MARKETS AND SERVICES**

(Core Course)

(2017 Admissions Regular)

Time: Three Hours

Maximum: 80 Marks

**Part A**

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

Choose the correct answer from the following:

1. \_\_\_\_\_ Market deals with short term funds.  
a) Capital                      b) Commodity                      c) Money                      d) Debt
2. \_\_\_\_\_ issues does not bring in any fresh capital.  
a) Equity                      b) Preference                      c) Debentures                      d) Bonus
3. IDBI was established in \_\_\_\_\_  
a) 1948                      b) 1954                      c) 1992                      d) 1964
4. \_\_\_\_\_ is the regulator of mutual funds in India.  
a) RBI                      b) IRDA                      c) SEBI                      d) GOI
5. \_\_\_\_\_ is the minimum rate which the RBI is ready to grant loans and advances to commercial banks.  
a) CRR                      b) SLR                      c) Bank rate                      d) Repo

Fill in the blanks:

6. NIFTY comprises of \_\_\_\_\_ stocks which are listed on the NSE.
7. A \_\_\_\_\_ security is a financial instrument whose value depends on the value of an underlying security.
8. The issue of shares by a company to its existing shareholders is known as \_\_\_\_\_
9. MMMFS is stands for \_\_\_\_\_
10. Right issue must be kept open for at least \_\_\_\_\_ days.

**(10 x 1 = 10 Marks)**

**Part B**

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

11. What is CRR?
12. What is financial inclusion?

13. Define Primary market.
14. What is mutual fund?
15. What is short listing?
16. What is a depository system?
17. Write a short note on underwriters to the issue.
18. Define money market.
19. State the role of an 'AMC'.
20. What you mean by financial intermediation?

**(8 x 2 = 16 Marks)**

### **Part C**

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

21. Explain the importance of interbank deposits.
22. What are the steps taken by RBI to develop commercial bill market?
23. What are the difference between primary market and stock exchange?
24. What are the objectives and functions of SEBI?
25. Explain the relationship between financial system and economic development.
26. Explain the major functions of SIDBI.
27. What are the benefits of depository system?
28. Explain the concept of forfaiting and factoring.

**(6 x 4 = 24 Marks)**

### **Part D**

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

29. A number of reforms are made in secondary market. Explain.
30. Indian money market has a number of defects. What are the measures taken by RBI to remove these defects?
31. Briefly explain the present developmental financial institutions in India.

**(2 x 15 = 30 Marks)**

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