



M 8301

Reg. No. :

Name :

**VI Semester B.Com. Degree (CCSS – Reg./Supple./Improv.)
Examination, May 2015
(2012 Admn.)**

**CORE COURSE IN COMMERCE
6B16 COM : Financial Markets and Services**

Time : 3 Hours

Max. Weightage : 30

PART – A

This Part consist of **two** bunches of question carrying **equal** weightage of **one**.
Each bunch consists of **4** objective type questions. Answer **all** questions.

- I. 1. A market for creation and exchange of financial assets
- | | |
|-------------------|---------------------|
| a) Capital market | b) Financial market |
| c) Money market | d) Credit market |
2. Bonds issued methods any rate of interest
- | | |
|---------------------|---------|
| a) SPN | b) GDR |
| c) Zero coupon bond | d) FCCB |
3. Market for short term fund
- | | |
|----------------------------|----------------------|
| a) Money market | b) Capital market |
| c) Foreign exchange market | d) None of the above |
4. A market for purchase and sale of foreign currencies
- | | |
|--------------------|----------------------------|
| a) Import market | b) Export market |
| c) Entrepot market | d) Foreign exchange market |



- II. 5. Market for long term fund is known as _____
- a) Capital market
 - b) Money market
 - c) Import market
 - d) None of these
6. Share issued to the existing shareholders at a price is called
- a) Bonus share
 - b) Right issue
 - c) Preference issue
 - d) Prior issue
7. Daily as weekly price limits within which the price is allowed to rise as fall is called
- a) Price band
 - b) Price limit
 - c) Premium
 - d) GSO
8. The process of converting share certificates in physical form in to electronic form is called
- a) Rematerialisation
 - b) Dematerialisation
 - c) Gematerialization
 - d) None of these
- (2x1=2)**

PART – B

Answer **any eight** questions in **one** or **two** sentences. **Each** carries a weightage of **one**.

- 9. What is mutual fund ?
 - 10. What is option dealing ?
 - 11. What is primary market ?
 - 12. Who is an underwriter ?
 - 13. Define merchant banker.
 - 14. What is IPO ?
 - 15. What is Bonus share ?
 - 16. Who is a bull in the stock market ?
 - 17. What is rematerialisation ?
 - 18. What is Global Depositing Receipt (GDR) ?
- (8x1=8)**



PART – C

Answer **any six** questions. **Each** carries a weightage of **two** :

19. State the importance of credit rating.
20. What are the feature of venture capital ?
21. State the functions of a factor.
22. What are the different methods of floating capital from the primary market ?
23. What are the functions of the capital market ?
24. State the merits of call money market.
25. What are the major disadvantage of forfeiting ?
26. Distinguish between merchant bank and commercial bank. (6×2=12)

PART – D

Answer **any two** questions. **Each** carries a weightage of **four**.

27. Explain the challenges in the financial service sector in India.
28. What do you mean by capital market ? What are the major factors that have contributed to the development of Indian capital market ?
29. What do you mean by mutual fund explain the various mutual fund installment scheme ? (2×4=8)