



M 5963

Reg. No. :

Name :

VI Semester B.Com. Degree (CCSS – Reg./Supple./Improv.)

Examination, May 2014

CORE COURSE IN COMMERCE

6B 16 COM : Financial Markets and Services

Time : 3 Hours

Max.Weightage : 30

PART – A

This Part consist of **two** bunches of questions carrying **equal** weightage of **one**.
Each bunch consist of **four** objective type questions.

Answer **all** questions :

- I. 1. The financial market which deals long term securities are called
 - a) Money market
 - b) Capital market
 - c) Short term market
 - d) None of these
2. Market for buying and selling of bill of exchanges
 - a) Call money market
 - b) Capital market
 - c) Bill market
 - d) Commercial bill market
3. Daily or weekly price limits within which the price is allowed to rise or fall is called
 - a) Price band
 - b) Price limit
 - c) Premium
 - d) GSO
4. The process of converting share certificates in physical form into electronic form is called
 - a) Remeterialisation
 - b) Demeterialisation
 - c) Gemeterialisation
 - d) None of these

II. Match the following :

A

B

- | | |
|----------------------------|-------------------------------------|
| 5. Money market | a) Long term funds |
| 6. Capital market | b) Issued by non-scheduled banks |
| 7. Treasury bills | c) Issued by scheduled bank |
| 8. Certificate of deposits | d) Short term funds |
| | e) Promissory notes issued by govt. |
| | f) Promissory notes issued by RBI |

(2x1=2 Weight)

P.T.O.



PART – B

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

9. What is credit rating ?
10. Define financial services.
11. Define venture capital company.
12. What is seed capital ?
13. What is a commercial bank ?
14. What is IPO ?
15. What do you mean by secondary market ?
16. Define stock exchange.
17. What do you mean by depository ?
18. What is factoring ? (8×1=8 Weight)

PART – C

Answer **any six** questions. Answer **not** to exceed **one** page. **Each** carries a weightage of **two** :

19. State the type of finance provided by a venture capitalist.
20. Write a note on forfaiting.
21. What are the advantage of mutual funds ?
22. State the functions performed by NSDL.
23. What are the basic functions of a financial market ?
24. State the merits of call money market.
25. Distinguish between capital market and money market.
26. What are the functions of primary market ? (6×2=12 Weight)

PART – D

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

27. Explain the defects of India money market.
28. Explain briefly the innovative financial instruments currently in circulation.
29. Describe the methods of trading in a stock exchange. (2×4=8 Weightage)