

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

(CUCBCSS—UG)

B.Com.

BCM 5B 10—FINANCE SPECIALIZATION—I  
FINANCIAL MARKETS AND SERVICES

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

## Part A

*This part consists of two bunches of questions carrying equal mark 1.*

*Each bunch consists of five objective type questions.*

*Answer all questions.*

(A) Fill in the blanks :

- 1 \_\_\_\_\_ market is the financial markets for fixed claim.
- 2 A market where delivery of financial claims occurs immediately is known as \_\_\_\_\_ Mark
- 3 \_\_\_\_\_ is a fund scheme in which the corpus of the fund and its duration are prefixed
- 4 \_\_\_\_\_ give information about the price movements of securities in the stock market
- 5 The higher end price of a price band is known as \_\_\_\_\_.

(B) Choose the correct answer from the bracket :

6 Bonds issued without any rate of interest :

- |                        |           |
|------------------------|-----------|
| (a) SPN.               | (b) GDR.  |
| (c) Zero coupon bonds. | (d) FCCB. |

7 Issue shares to existing shareholders out of accumulated profits :

- |                  |                       |
|------------------|-----------------------|
| (a) Right issue. | (b) Bonus issue.      |
| (c) IPO.         | (d) Preference issue. |

8 An unlisted company makes fresh issue of shares for the first time :

- |                  |                       |
|------------------|-----------------------|
| (a) Right issue. | (b) Bonus issue.      |
| (c) IPO.         | (d) Preference issue. |

- 9 Short term promissory notes issued by the RBI :
- (a) Promissory note. (b) Bills.
- (c) Treasury bills. (d) Commercial bills.
- 10 Guarantees the sale of securities :
- (a) Underwriting. (b) Marketing.
- (c) Guaranteeing. (d) Broking.

(10 × 1 = 10 marks)

**Part B**

Answer any **eight** questions in one or two sentences each.

Each question carries 2 marks.

- 11 What are the rights of investors in Mutual Funds ?
- 12 What do you mean by Bucket shops ?
- 13 Write the different kinds of speculators in a stock market ?
- 14 What is book building ?
- 15 What do you mean ESOS ?
- 16 What do you mean by Gilt Edged Securities ?
- 17 What are the differences between Futures Contract and Forward Contract ?
- 18 What do you mean by Sweat equity ?
- 19 What is GSO ?
- 20 What do you mean by Dematerialization of securities ?

(8 × 2 = 16 marks)

**Part C**

Answer any **six** questions.

Each question carries 4 marks.

- 21 What are the different types of Underwriting ?
- 22 Write the differences between New issue market and Secondary market ?
- 23 What are the features of Certificate of Deposits ?

- 24 What are differences between Capital Market and Money Market ?
- 25 What are the weakness of Indian Financial System ?
- 26 What are the functions of SEBI ?
- 27 What are the different types of derivatives ?
- 28 Write a note on Non-Banking Financial Institutions.

(6 × 4 = 24 marks)

#### **Part D**

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

- 29 What do you mean by Financial System ? Explain the structure of Indian Financial system.
- 30 Explain the different types of money market instruments.
- 31 Explain the methods and procedure of public issue.

(2 × 15 = 30 marks)