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Name.....

Reg. No.....

**SIXTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION  
MARCH 2020**

(CUCBCSS—UG)

B.Com.

BCM 6B 14—FINANCIAL MARKETS AND SERVICES (FINANCE SPECIALIZATION)

(2014 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

A. Choose the correct answer :

1. Loan against the security of immovable property is called \_\_\_\_\_ Loan.  
(a) Hire purchase. (c) Guarantee.  
(b) Mortgage. (d) None of these.
2. Promissory note issued by the Government is called.....  
(a) Treasury bill. (c) Commercial paper.  
(b) CDs. (d) Call money.
3. \_\_\_\_\_ is professional independent broker who deals in securities in his own name.  
(a) Remisiers. (c) Jobbers.  
(b) Commission Brokers. (d) None of the above.
4. The factor under the factoring, acts as \_\_\_\_\_.  
(a) A trustee. (c) A holder for value.  
(b) An administrator. (d) An Agent.
5. \_\_\_\_\_ bonds are sold at a large discount to their nominal value.  
(a) Zero coupon. (c) Floating rate.  
(b) Deep discount. (d) Option.

Turn over

## B. Fill in the blanks :

- 6 \_\_\_\_\_ is international leasing.
- 7 CNX stands for \_\_\_\_\_.
- 8 \_\_\_\_\_ refers to a loan arranged by a bank called Lead manager for a borrower.
- 9 The fund raised by a financial service company by pooling the savings of the public is called \_\_\_\_\_.
- 10 In the initial stage of a project, venture capitalists provide \_\_\_\_\_ finance.

(10 × 1 = 10 marks)

## Part B (Short Answer Questions)

*Answer any eight questions.*

*Each question carries 2 marks.*

- 11 What is meant by underwriting ?
- 12 What do you mean by foreign bills ?
- 13 What is insider trading ?
- 14 What do you mean by Demutualization ?
- 15 What are financial assets ?
- 16 What is meant by blue chip shares ?
- 17 What is primary market ?
- 18 What do you mean by buy back of shares ?
- 19 What is rematerialization ?
- 20 Who are Tarawaniwalas ?

(8 × 2 = 16 marks)

## Part C (Short Essay Questions)

*Answer any six questions.*

*Each question carries 4 marks.*

- 21 What are the requisites of a developed money market ?
- 22 Explain the functions of DFHI.

- 23 Differentiate primary and secondary market.
- 24 Explain any *four* types of lease.
- 25 What are the features of venture capital ?
- 26 Explain the features of NSE.
- 27 Explain the role of brokers in a stock exchange.
- 28 What are the defects of Indian stock market ?

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 15 marks.*

- 29 What do you mean by financial markets ? How the financial market is classified ?
- 30 "Mutual funds provide benefits to both the investor and the economy". Do you agree ? Explain.
- 31 Define Stock Exchange. What do you mean by listing of securities? Explain the advantages and disadvantages of listing.

(2 × 15 = 30 marks)