

(6 pages)

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M.COM. (CBCS) DEGREE EXAMINATION,
APRIL 2021.

Fourth Semester

Commerce

FINANCIAL MARKETS

(For those who joined in July 2017 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Which one of the following is a financial asset?
 - (a) Gold
 - (b) Silver
 - (c) Share
 - (d) Land

2. The highest bidder will get preference in allotment is
- (a) French Auction
 - (b) Dutch Auction
 - (c) Indian Auction
 - (d) English Auction
3. Placement is suitable for issue of shares of _____
- (a) Large companies
 - (b) Medium companies
 - (c) Small companies
 - (d) All companies
4. Speculators who neither buy nor sell securities in the market, but still trade on them are called
- (a) Wolves
 - (b) Stags
 - (c) Lambe ducks
 - (d) Bears
5. Origination refers to
- (a) Work of investigation
 - (b) Analysis
 - (c) Processing of new proposal
 - (d) All the above

6. The process of holding the entire supply of particular security with a view to dictating terms is called
- (a) Wash sales
 - (b) Arbitrage
 - (c) Rigging the market
 - (d) Cornering
7. The market which helps commercial banks to maintain their SLR requirements is
- (a) Call money market
 - (b) Discount market
 - (c) Acceptance market
 - (d) Commercial bill market
8. The certificate which evidences an unsecured corporate debt of short term maturity is
- (a) Short term loan certificate
 - (b) Certificate of deposit
 - (c) Inter bank participation certificate
 - (d) Commercial paper
9. Members of OTCEI are _____ only
- (a) Individuals
 - (b) Corporates
 - (c) Brokers
 - (d) Financial institutions

- [illegible]

PART B — ($5 \times 5 = 25$ marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Write about financial intermediaries.

Or

- (b) State the important functions of Foreign Exchange market.

12. (a) What are the objectives of money market?

Or

- (b) State the cases for the unpopularity of bill market in India.

13. (a) List out the methods of underwriting.

Or

- (b) What are the difference between IDR and share?

14. (a) Write about steps involved in the method of trading in a stock exchange?

Or

- (b) Discuss about the broad classifications of conditions prevailing in National Exchange for Automated trading.
15. (a) Write about the features of OTCEI.

Or

- (b) List out the few examples of malpractices in securities market.

PART C — ($5 \times 8 = 40$ marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Sketch out the classification of financial markets and discuss in detail.

Or

- (b) Bring out the structure of Indian financial system.

17. (a) Explain the characteristics and importance of money market.

Or

- (b) What are the deficiencies of Indian Money Market?

18. (a) Write an essay on functions of New Issue Market.

Or

- (b) State the advantages of Primary Market.

19. (a) What are the important functions of Brokers?

Or

- (b) Evaluate the advantages and drawbacks of listing.

20. (a) Why there is a need for Investor Protection? Discuss.

Or

- (b) Make a comparison between stock exchange, OTCEI and NSE.