

**Avinashilingam Institute for Home Science and Higher Education for Women
[Deemed to be University] Coimbatore-641 043**

**Bachelor's Degree Examination – November 2018
III Semester**

**Class : II UG
Major : Commerce/B.Com(CA)**

**Time: 3 hours
Max. Marks: 100**

15BCOC11/15BCCC11 – Financial Markets

Part-A

10 x 1=10

Choose the correct answer

1. Loan against the security of immovable property is called as
a. mortgage b. pledge c. hypothecation d. lease
2. Which one of the following is a cash asset?
a. share b. deposit created out of loans c. bond d. post office certificate
3. The market for extremely short period loans is called
a. money market b. acceptance market
c. call money market d. treasury bill market
4. The major player in the Indian Money Market is
a. Co-operative banks b. Indigenous banks
c. Reserve Bank of India d. Commercial banks
5. The suitable method of issue shares for small companies is
a. placement b. rights issue c. offer for sale d. public issue
6. The method in which securities are sold outright through the intermediary of issue houses is
a. public issue b. offer for sale c. placement d. rights issue
7. A person appointed by a stock broker to assist him in the business of securities trading is called
a. sub-broker b. commission broker c. authorized clerk d. tarawaniwala
8. An order for the purchase of securities at a fixed price is known as
a. stop loss order b. discretionary order c. open order d. limit order
9. Regarding bad delivery of shares, the authority to be approached for redressal is
a. SEBI b. registrar to the issue c. stock exchange d. company law board
10. The first depository in India is
a. NSDL b. CDSL c. HDFC d. SEBI

Part B

5X6=30

Answer the following

Answer should not exceed 400 words or two pages

11. a. Explain the functions of financial system.
(or)
11. b. Write a note on financial intermediaries.
12. a. Distinguish between money market and capital market.
(or)
12. b. Discuss the objectives of money market.
13. a. What are the advantages of underwriting?
(or)
13. b. What is Inflation Indexed Bond? State its main features.
14. a. Explain the advantages of listing.
(or)
14. b. Discuss the merits and demerits of online trading.
15. a. What are the objectives of SEBI?
(or)
15. b. What are the main activities of the depository?

Part C

5x12=60

Answer the following

Answer should not exceed 800 words or four pages

- 16.a. Discuss the role of the financial system in the economic development of a country
(or)
- 16.b. Discuss the development of financial system in India.
- 17.a. Discuss the features of a developed money market.
(or)
- 17.b. What steps have been taken in recent years to make the Indian money market a developed one?
- 18.a. Explain the functions of New Issue Market.
(or)
- 18.b. Discuss the role of Registrar in the new issue.
- 19.a. Explain the functions of brokers.
(or)
- 19.b. Discuss the kinds if speculators.
- 20.a. Explain in detail the SEBI guidelines for primary market.
(or)
- 20.b. Explain the factors that affect Investors' Interest.