



III Semester M.Com. Examination, April/May 2022

(CBCS) (Semester Scheme)

(2021-22 Onwards)

COMMERCE

3.3 : Financial Market and Services

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any seven** out of ten. **Each** question carries **two** marks. (7×2=14)
- State the features of Financial markets.
 - What is call money market ?
 - What is tender method for marketing of securities ?
 - Give the meaning of Credit rating.
 - What are the characteristics of Factoring ?
 - What do you mean by Stock exchange ?
 - Mention the roles of Merchant Bankers.
 - What is repo and reverse repo ?
 - What are the features of Treasury Bills ?
 - List four functions of Financial Services.

SECTION – B

Answer **any four** questions out of six. **Each** question carries **five** marks. (4×5=20)

- What do you mean by Financial markets ? Discuss the types of Financial Markets.
- What is money market ? Explain the importance of money market.

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4. What do you mean by Commercial paper market ? Explain the guidelines of RBI on Commercial papers.
5. What do you understand by marketing of securities ? Explain the different methods of marketing corporate securities.
6. Discuss briefly the various types of money market instruments. What are the problems of Indian money market ?
7. Briefly explain about the financial services and economic environment of a country. Discuss the problems faced by the providers of financial services in India.

SECTION - C

Answer **any two** questions out of four. **Each** question carries **twelve** marks. (2×12=24)

8. Write short notes on the following :
 - a) Growth of Indian money market
 - b) Operational mechanism of capital market.
9. What are mutual funds ? Explain why people invest in them. Briefly explain the growth and functioning of mutual funds in India.
10. What do you mean by exchange traded funds ? How do buy exchange traded funds ? Are exchange traded fund better than mutual funds ?
11. Discuss the role and importance of Financial Services. Write in detail about the players in financial services.



SECTION – D

Answer the following :

(1×12=12)

12. The case “SEBI and its Role in Prohibiting Insider Trading” describes the role played by the Securities and Exchange Board of India (SEBI) in regulating the securities market to prohibit insider trading activities. The case starts out with a brief history of insider trading and then explains the need for a regulatory body in the Indian Capital market. It then describes the various SEBI Acts starting with the SEBI Prohibition of Insider Trading Act 1992, and the subsequent amendments in 2002, 2015 and 2018. The case also covers the process of investigation under the SEBI Prohibition of Insider Trading, 1992. Besides, it highlights the challenges faced by SEBI in prohibiting insider trading. It also shows that the cases of insider trading have been increasing and concludes by stating that more support from the Government of India (GoI) will help SEBI in controlling insider trading more effectively.

Questions :

- a) What are the role of a regulator in a financial/capital market ?
- b) Explain how the regulator protects the interests of investors.
- c) Briefly discuss regulator needs to do to remain watchful and efficient.