

SECOND SEMESTER UG DEGREE EXAMINATION, APRIL 2023

B.Com. HONOURS

GBCH2B07T: FINANCIAL SYSTEMS AND SERVICES

Time: 3 Hours

Maximum Marks: 80

PART A: Answer all the questions. Each carries one mark.**Choose the correct answer.**

1. The market for extremely short period loan is called.....
 - a) Call money market
 - b) Money at short notice
 - c) T-bill market
 - d) G-sec market
2. It is a short-term, negotiable, self-liquidating instrument which is used to finance the credit sales of firms.
 - a) Commercial bill
 - b) Commercial papers
 - c) Call money
 - d) None of the above
3. Insurance is a / an _____
 - a) Instrument
 - b) Contract
 - c) Agreement
 - d) Rating
4. _____ act as an intermediary to link up the sources of ideas and the sources of fund.
 - a) Venture capital
 - b) Merchant banking
 - c) Leasing
 - d) None of these
5. Merchant bankers are engaged in _____.
 - a) The business of issue-management
 - b) Bought out deals
 - c) Regulations
 - d) SEBI guideline

Fill in the Blanks.

6. _____ is a systematic process of generating, capturing, and recording investor demand for shares during an initial public offering (IPO).
7. _____ refers to assessing the creditworthiness of a company by an independent organisation.
8. _____ are debt instruments which do not have a maturity date.
9. The fee charged by factor for their services is called _____
10. Issue management is an important function of _____

(10 x 1 = 10 Marks)**PART B: Answer any eight questions. Each carries two marks.**

11. Define financial ratio.
12. What is a marketable asset?
13. What is meant by call option?
14. Comment on deferred shares.
15. What is meant by unorganised money market?
16. Write a note on AD-hoc T-bills.
17. What is leasing?
18. Who is a custodian in the context of financial services?
19. Define credit rating.
20. What is CRISIL?

(8 x 2 = 16 Marks)**(PTO)**

PART C: Answer any six questions. Each carries four marks.

21. Distinguish between a primary market and a secondary market of securities.
22. Explain mortgages market.
23. Write a short note on NIFTY.
24. Explain the features of NBFC's.
25. Explain the benefits of factoring.
26. What are the characteristics of venture capital?
27. Differentiate between commercial bank and merchant bank.
28. What are the different modes of funding in venture financing?

(6 x 4 = 24 Marks)

PART D: Answer any two questions. Each carries fifteen marks.

29. Explain the financial derivative market in India.
30. Discuss the role of RBI in the Indian financial system.
31. Explain the present scenario of financial services in India. Also, explain the challenges faced by financial sector in India.

(2 x 15 = 30 Marks)