D3BBH2303	(PAGES: 2)	Reg. No
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THIRD SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024 (Regular/Improvement/Supplementary) BBA HONOURS

BBA HONOURS GBAH3B12T: FINANCIAL MARKETS AND SERVICES				
Time: 3 Hours			Maximum Ma	rks: 80
Part A. Answer all the	e questions. Ea	ach carries <i>one</i> 1	nark.	
Choose the correct an	iswer.			
1. A well-functioning	g financial syste	em contributes to	economic development by:	
A) Increasing infla	ition.	B) Mobili	zing savings and allocating cap	ital efficiently
C) Decreasing the	availability of	credit. D) Restric	cting foreign investments.	
2. Bonus Issue means	:			
A) Offering addition	onal shares to e	xisting sharehold	lers without any additional cost	,
B) Issuance of new	shares to the p	oublic at a premiu	ım.	
C) Payment of divi	dends in cash.			
D) Offering of shar	res to institutio	nal investors.		
3. NIFTY 50 is an ind	lex of	·		
A) BSE.	B) NSE.	C) OTCI.	D) NASDAQ.	
4. Treasury Bill is a:				
A) Money market	Instrument.	B) Capit	al market Instrument.	
C) Debt instrumen	t.	D) Deriv	rative instrument.	
5. In a hire purchase a	greement, who	owns the asset d	uring the instalment period?	
A) The buyer. I	3) The seller.	C) The lender.	D) The government.	
Fill in the Blanks.				
6. The primary function	on of a financia	al system is		
7. The first sale of sto	ck by a private	company to the	oublic is called market.	
8. Expansion of RTG	S is			
9. A is a	deposit schem	ne where a fixed s	sum is deposited at regular inter	vals for
a predetermined pe	-		ı	
		actions are proces	sed in real-time, and the transfe	erred
amount is credited	•	•		

 $(10 \times 1 = 10 \text{ Marks})$

Part B. Answer any eight questions. Each carries two marks.

- 11. What is Insurable interest in Life insurance?
- 12. What is meant by green shoe option?
- 13. What is SENSEX?
- 14. What is the meaning of financial system?
- 15. Mention the purpose of BASEL norms in the banking industry.
- 16. Define Primary Market?
- 17. What is Internet Banking? State its key benefits.
- 18. What is Money Market?
- 19. List out the Primary functions of a commercial bank.
- 20. What is Net Asset Value?

 $(8 \times 2 = 16 \text{ Marks})$

Part C. Answer any six questions. Each carries four marks.

- 21. Explain the modern banking services performed by the commercial banks.
- 22. Describe the meaning of a financial system and its importance in an economy.
- 23. Enumerate the principles of life insurance.
- 24. Describe the term Mutual Fund and its organisation. Explain the types of mutual funds in India.
- 25. Explain the functions of Stock Exchange.
- 26. Give an account on the types of money market instruments.
- 27. What are the differences between RTGS and NEFT in terms of transaction processing?
- 28. Explain the different methods of floating shares in the primary market.

 $(6 \times 4 = 24 \text{ Marks})$

Part D. Answer any two questions. Each carries fifteen marks.

- 29. Elaborate the functions and components of Indian financial system.
- 30. Describe the functions that the RBI perform to ensure the smooth functioning of the Indian economy.
- 31. Explain the trading mechanism in the Indian stock market.

 $(2 \times 15 = 30 \text{ Marks})$