QP CODE: 21100520

21100520

Reg No : .....

Name : .....

B.Com DEGREE (CBCS)EXAMINATION, MARCH 2021

Third Semester

Core Course - CO3CRT09 - FINANCIAL MARKETS AND OPERATIONS

(Common to all B.Com Degree Programmes)

2017 Admission Onwards

04D0B062

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What is equity share with detachable warrant? Explain with an example.
2. What are unfair trade practices?
3. Comment about the market stabilisation scheme of RBI. How is it important for money market?
4. What are the advantages of book building process?
5. Write a note on IDR.
6. Who are the parties involved in the 'Clearing and Settlement' procedure in the Indian stock market?
7. What is meant by 'free float market capitalization'?
8. What is Insider Trading?
9. What are the objectives of mutual funds?
10. What is meant by ETFs? Give Examples.
11. What is meant by Hedging?
12. Explain any two differences between Swaps contracts and Futures contracts.

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. What is the significance of financial instruments in a financial system?
14. "RBI plays a key role in developing Indian money market". Elaborate.

15. What are the different types of Employee Stock Option Plans?

16. What are the disadvantages of listing of securities?

17. Distingush between short selling and arbitrage.

18. Write a note on sectoral funds.

19. Briefly explain the drawbacks of mutual funds.

20. Describe the essential features of Commodity Futures.

21. Make a brief note on "commodity derivatives in India".

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Elaborate the history of development and growth of Indian financial system, after economic reforms of 1991.

23. Define Primary Market. Explain its characteristics and functions.

24. What is meant by stock broker? Who can become stock brokers in India? What are the eligibility norms prescribed for obtaining membership and registration of stock brokers in India?

25. Explain the Constitution and Management of mutual funds in India.

(2×15=30)