



PJ-522

I Semester M.Com.(F.A.) Examination, February - 2020
(CBCS Scheme)

COMMERCE

Paper-1.6 : Financial Markets and Services

Time : 3 Hours

Max. Marks : 70

Instruction : Answer **all** Sections.

SECTION - A

Answer **any seven** sub-questions. Each question carries **two** marks. **7x2=14**

1. (a) Define Lease.
(b) What is leverage ?
(c) What do you mean by financial synergy ?
(d) Define Optimal Capital Structure.
(e) Define OTCEI.
(f) What do you mean by Market Index ?
(g) Define Capital Adequacy Norms.
(h) What is substandard Asset ?
(i) Define Venture Capital.
(j) What do you mean by credit suasion ?

SECTION - B

Answer **any four** questions. Each question carries **five** marks. **4x5=20**

2. Describe the process of factoring. What is the role of factor in providing necessary credit to the institution ?
3. Explain the role of market index in assessing the financial feasibility of investments.
4. Describe the role of Investment Banker in the process of raising capital.
5. Explain the role of Regulators in enhancing the quality of Assets in the investment portfolio of a financial institution.
6. Describe and explain Camels Framework.
7. "Deregulation of interest rates have provided for efficiency to money market operations". Explain.

P.T.O.

**SECTION - C**

Answer **any three** questions. Each question carries **twelve** marks. **3x12=36**

8. "Capital Markets are always in temporary disequilibrium" Elucidate.
9. What do you mean by Loan Syndication ? Explain the process of Loan Syndication. How does it work ?
10. What are IRCA Norms ? Explain the need and importance of classification of Assets.
11. Provide a brief outline on the contemporary developments and issues in Indian Financial Markets.
12. "Financial Engineering initiatives taken up by the Financial Markets have effectively reformed the market operations, making the more efficient and creating opportunities to realize optimal rewards for its participants" Elucidate.

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