



PG -- 746

I Semester M.Com. (FA)/M.F.A. Examination, January/February 2018
(CBCS)

Paper – 1.6 : FINANCIAL MARKETS AND SERVICES

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any seven** sub-questions. **Each** question carries **two** marks. (7×2=14)

1. a) What is performance guarantee ?
- b) State the functions of FOREX market.
- c) Who are the participants in call money market ?
- d) Distinguish CP and CD.
- e) What is offer for sale ?
- f) What are 'A' group securities ?
- g) What are Leveraged lease ?
- h) Define mutual fund.
- i) What are the functions of Monetary Policy Committee ?
- j) What is meant by exposure norms of banks ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks : (4×5=20)

2. Explain the features of financial instruments.
3. Explain the functions of DFHI.
4. Bring out the differences between financial and operating leases.
5. Explain the areas covered under "CAMELS" rating.
6. Explain the features of futures contract.
7. Explain the role of merchant bankers in financial market.

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SECTION - C

Answer **any three** questions. **Each** question carries **12** marks. **(3×12=36)**

8. Explain in detail Basel II and III accords covering capital adequacy for banks.
 9. Discuss the role of venture capital in industrial development.
 10. Explain the various types of factoring.
 11. Describe the advantages of depository system.
 12. What is credit rating ? Bring out the advantages of credit rating in financing high value loans.
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