19. (a) What is underwriting? Point out its types.

Or

(b) Examine the reasons behind the issue of convertible debentures.

20. (a) What is a stock exchange? What are its functions?

Or

(b) Describe the mechanics of settlement in Indian stock exchanges.

SECTION C — (3 × 10 = 30)

Answer any THREE questions.

21. Discuss the role of the merchant bankers in Indian financial services market.

22. Bring out the Pros and Cons of

(a) IPO method

(b) Private placement method.

23. Explain the important SEBI regulations relating to issue management.

24. Explain the features of any four capital market instruments.

25. Describe the different types of factoring.

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(For candidates admitted from 2022–2023 onwards)

M.Com. DEGREE EXAMINATION, NOVEMBER 2023

Computer Application — Elective

FINANCIAL SERVICES

Time : Three hours Maximum : 75 marks

SECTION A — (20 marks)

Answer ALL question

I. (A) Choose the correct answer : (5 × 1 = 5)

1. A merchant banker ————

(a) Accepts deposits

(b) Lends money

(c) Renders free service

(d) Undertakes pre investment studies

2. Which of the following is not related to debentures?

(a) Fixed Rate of return

(b) Security

(c) Assured Return

(d) Voting rights

3. If shares are issued at a price which is more than the face value, such shares are said to be issued at a ______

(a) Par (b) Premium

(c) Discount (d) High price

4. ______ is not a capital market instrument.

(a) Bond (b) Preference share

(c) Debenture (d) Commercial Paper

5. If shares are bought by you, your demat account will be ______

(a) Debited (b) Credited

(c) Adjusted (d) Deleted

(B) Fill in the blanks : (5 × 1 = 5)

6. Financial appraisal of a project helps to establish the financial ______

7. In private placement QIP stands for ______

8. ______ prospectus is the brief summary of the prospectus

9. ______ market is an unofficial market for shares

10. A bullish investor acts with the belief that prices will ______

II. Short answer questions : (5 × 2 = 10)

11. What is corporate counselling?

12. What is ESOP?

13. List down the post issue activities of a merchant banker.

14. What are indexed bonds?

15. Distinguish between bill financing and factoring.

SECTION B — (5 × 5 = 25)

Answer ALL questions, choosing either (a) or (b)

16. (a) Give an account of the project counselling services rendered by a merchant banker.

Or

(b) How are merchant bankers classified by the SEBI?

17. (a) Brief the activities of an issue manager in public issue.

Or

(b) Write the features of the OTCEI.

18. (a) Identify the factors determining the issue prices of shares.

Or

(b) Explain the reasons behind mergers.