



DSEBC – 505

V Semester B.Com. Examination, February/March 2024

(NEP Scheme) (Freshers)

COMMERCE

Financial Institutions and Markets

Time : 2½ Hours

Max. Marks : 60

Instruction : Answer should be written completely either in **English** or **Kannada**.

SECTION – A

Answer **any 5** sub-questions. **Each** sub-question carries **2** marks. (5×2=10)

1. a) Give the meaning of Financial System.
- b) What do you mean by Fintech ?
- c) What is Money Market ?
- d) Name any two Capital Market Instruments.
- e) What do you mean by Bonus Shares ?
- f) Expand ASBA, OTCEI.
- g) What do you mean by Hire Purchasing ?



SECTION – B

Answer **any 3** questions. **Each** question carries **4** marks. (3×4=12)

2. Explain the role of Financial System in Economic Development.
3. Explain the functions of Mutual Funds.
4. What is the importance of Primary Market ?
5. What are the functions of Housing Finance Companies ?
6. What are the functions of Chit Funds Companies ?

P.T.O.



SECTION – C

Answer **any 3** questions. **Each** question carries **10** marks.

(3×10=30)

7. Explain the recent trends in Financial System.
8. What is a Capital Instrument ? Explain the types of Capital Market Instruments.
9. Explain the Trading and Settlement Procedure in Stock Market.
10. Describe the management and functions of EXIM Bank.
11. Explain the management and functions of SIDBI.

SECTION – D

Answer **any 1** question. **Each** question carries **8** marks.

(1×8=8)

12. a) Vishal and Harish are friends, they decide to set up an unit to manufacture Computer Chips and they have contributed a capital of Rs. 80,00,000 for purchasing fixed assets. Further they need Rs. 10,00,000 for working capital and Rs. 5,00,000 to buy additional fixed assets.
 - i) Which instrument can be used by the company to raise the working capital ?
 - ii) How to obtain another Rs. 10,00,000 capital for purchase of fixed assets ?

OR

- b) Fintech Corporation, a tech startup, has decided to go public and issue its shares for the first time through an Initial Public Offering (IPO). The company plans to raise Rs. 500 Crore funds for expanding its research and development activities.
 - i) List out the steps involved in the issue of shares.
 - ii) List any two advantages and two risks associated with IPO.

