STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086. (For candidates admitted during the academic year 2019-2020 and thereafter)

COURSE CODE: 19VB/VM/FS46

B.VOC DEGREE EXAMINATION – APRIL 2022 BANKING, FINANCIAL SERVICES AND INSURANCE FOURTH SEMESTER

COURSE : MAJOR - CORE

PAPER : FINANCIAL SERVICES II

TIME : 3 HOURS MAX. MARKS: 100

SECTION - A

Answer ALL questions: $(10 \times 2 = 20)$

- 1. What are financial markets?
- 2. Classify financial assets.
- 3. Define money market.
- 4. Sketch the structure of Indian Money Market.
- 5. Write a short note on underwriting of shares.
- 6. Who is a speculator?
- 7. What is a badla transaction?
- 8. List the indices of BSE.
- 9. Write a short note on primary market.
- 10. Who is an investment banker?

SECTION - B

Answer any FIVE questions:

 $(5 \times 4 = 20)$

- 11. List the functions of financial system.
- 12. Point out the features of Indian Money Market.
- 13. State the principle steps involved in offer for sale.
- 14. Explain any four new instruments that are traded in new issue market.
- 15. What is the role of FII in Indian financial market?
- 16. Discuss the advantages of holding a demat account.
- 17. Sketch the structure of Indian financial system.

SECTION - C

Answer any TWO questions:

 $(2 \times 15 = 30)$

- 18. Elaborate the role of financial system in economic development.
- 19. Explain the characteristic features and importance of money market.
- 20. Discuss the objectives, activities, interacting institutions and process of depository system in India.

SECTION-D

21. CASE STUDY ANALYSIS

(30 marks)

Standard Tyres are dominant in production of tyres in India since 1986. The company has Rs. 30 Crores net worth presently and is consistently profitable in the market. The company is aiming to enter new issue market through public issue in order to expand its operations across the world and to raise funds to invest in research and development.

Questions:

- a) Justify the decision to enter the New Issue Market
- b) State the pros and cons of floating shares through public issues
- c) What are the steps involved in public issue?
- d) Suggest an alternate method of raising funds.
- e) Compare the advantages of different methods of raising funds
- f) What are the guidelines to be followed for raising foreign funds?
