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63/2 (SEM-2) MCO 204

2022

COMMERCE

(Theory Paper)

Paper Code : MCO 204

(Financial Market and Services)

Full Marks – 80

Time – Three hours

The figures in the margin indicate full marks  
for the questions.

1. Choose the correct answer :  $1 \times 6 = 6$

(i) Discount and Finance House of India was  
set up in

(a) 1978

(b) 1988

(c) 1998

(d) 2008

(ii) Which of the following is not a Commercial  
Bill ?

(a) Clean Bill

(b) Hundi

[Turn over

- (c) Derivative issuance promissory notes
- (d) Treasury Bill
- (iii) Derivative tradings was formally started in India in
  - (a) June, 2020                      (b) June, 2010
  - (c) June, 2015                      (d) June, 2000
- (iv) Dematerialisation is
  - (a) conversion of physical certificates into electronic form
  - (b) conversion of electronic certificates into physical form
  - (c) trading shares in the stock market
  - (d) a type of financial instrument
- (v) Issues are offered to the public through
  - (a) Prospectus
  - (b) Public subscribes
  - (c) Both (a) and (b)
  - (d) None of these

- (vi) The oldest stock exchange of India is
  - (a) Bombay Stock Exchange
  - (b) National Stock Exchange Ltd.
  - (c) Guwahati Stock Exchange Ltd.
  - (d) Madras Stock Exchange Ltd.

2. Answer the following questions : 2×5=10

- (i) What is IPO ?
- (ii) Write the differences between Equity and Debt.
- (iii) What is foreign currency convertible bond ?
- (iv) What is secondary market ?
- (v) What is consumer credit ?

3. Answer any six of the following questions : 5×6=30

- (i) Write the functions of capital market.
- (ii) Write a short note on Treasury Bill.
- (iii) Explain Hire purchase.

(iv) Write the type of services provided by depositories.

(v) How does financial services help in industrial development ? Discuss.

(vi) Explain the functioning of NSDL.

(vii) Write the advantages and disadvantages of leasing.

(viii) Elucidate the importance of money market.

(ix) Write the merits and demerits of listing of securities in stock market.

4. Answer any *two* of the following questions :

10×2=20

(i) What do you mean by commercial bills ?  
What are the types of commercial bills ?  
Discuss.

2+8=10

(ii) What is primary market ? How are funds mobilised in primary market ? Discuss.

2+8=10

(iii) Define derivatives. Explain the type of derivatives.

2+8=10

5. Answer any *one* of the following questions :

14×1=14

(i) What is money market ? Who are the participants in Indian money market ? What are the recent developments in Indian money market ? Discuss.

2+4+8=14

(ii) Discuss the challenges of financial service sector in India.

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