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III Semester M.Com. Degree Examination, February/March - 2026  
COMMERCE (Finance and Banking)  
Financial Markets and Services (Elective)  
(CBCS Scheme)

Time : 3 Hours

Maximum Marks : 70

## SECTION - A

Answer any Seven out of Ten questions, each carrying Two marks: (7×2=14)

1. a. Define Primary Market.
- b. Give the meaning of private placement.
- c. State any two contents of a Prospectus.
- d. What is a Rights Issue?
- e. Name any two Credit Rating Agencies in India.
- f. What is Screen-Based Trading?
- g. Define Rolling Settlement.
- h. What is Value at Risk (VaR) margin?
- i. What are the two objectives of Dematerialisation?
- j. Define Venture Capital.



## SECTION - B

Answer any Four out of Six questions, each carrying Five marks: (4×5=20)

2. Explain the significance of the financial services for the economic development of India.
3. Write a note on open outcry system.
4. Explain the role of the secondary market in Indian economy.
5. Discuss the listing requirements of stock exchanges in India.

[P.T.O.]





6. Briefly explain risks associated with Mutual Fund Investments.
7. Explain the features of Credit Rating.

### SECTION - C

Answer any Two out of Four questions, each carrying Twelve marks: (2×12=24)

8. Explain the methods of floating new issues.
9. Explain fund based and fee based financial services in detail.
10. Explain the performance of mutual fund industry in Indian market.
11. Explain the powers, functions and guidelines of SEBI on primary and secondary market.

### SECTION - D

#### (Compulsory Case Study)

Answer the following question. This question carries Twelve marks. (1×12=12)

12. ABC Technologies Ltd., a growing IT company, plans to raise Rs. 300 crore from the public to expand its operations. The company decides to issue equity shares through the Book Building process. The issue is oversubscribed. After listing, the company's shares are actively traded on the stock exchange. Investors trade using online platforms, and settlement takes place under the rolling settlement system. Credit rating agencies have assigned a high rating to the company's debt instruments.

#### Questions.

- a) Identify the type of market through which ABC Technologies Ltd., raised funds. (2)
  - b) Explain the Book Building process adopted by the company. (4)
  - c) Discuss the role of stock exchanges after the shares are listed. (3)
  - d) Explain the importance of credit rating to investors. (3)
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