42246

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – B.Com.(AFB)-Hons]-2023
Course Name – Financial Institutions and Services
Course Code - BBF60120
(Semester VI)

Full Marks : 60 **Time : 2:30 Hours**

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question) 1 x 15=15

1. *Choose the correct alternative from the following :*

(i) Select the term for the process where financial markets help determine the fair value of instruments based on supply and demand.

a) Liquidity Provision b) Risk Transfer
c) Price Discovery d) Capital Formation

(ii) Identify the instrument issued by the RBI on behalf of the Central Government to meet short-term financial needs.

a) Debentures b) Equity Shares
c) Treasury Bills d) Commercial Paper

(iii) Identify the method of issuing securities in the primary market specifically to existing shareholders.

a) Public Issue b) Private Placement
c) Rights Issue d) Offer for Sale

(iv) Choose the function of the financial market that helps investors spread risk across various asset classes.

a) Price Discovery b) Portfolio Diversification
c) Credit Creation d) Resource Mobilization

(v) Identify the term for the market where funds flow from one investor to another rather than to the issuing company.

a) Primary Market b) Secondary Market
c) Call Market d) Initial Market

(vi) Select the core focus of SEBI that ensures investors receive accurate information about securities.

a) Tax Collection b) Investor Protection
c) Profit Maximization d) Corporate Mergers

(vii) Indicate the level of risk usually associated with Venture Capital financing.

a) Low Risk b) No Risk

c) High Risk
d) Guaranteed Risk

(viii) Indicate who bears the maintenance responsibility in most finance leases.

a) The Lessor
b) The Lessee
c) The Government
d) The Manufacturer

(ix) Choose the instrument through which a house loan is usually repaid over a long period.

a) Treasury Bills
b) Commercial Paper
c) Equated Monthly Instalments (EMIs)
d) Promissory Notes

(x) Discover a characteristic of venture capital repayment.

a) Fixed monthly schedule
b) No fixed schedule; realized on growth or exit
c) Paid within 30 days
d) Daily cash payments

(xi) Locate the primary stock exchanges in India for executing trades.

a) NASDAQ and NYSE
b) NSE and BSE
c) LSE and JPX
d) HKEX and SGX

(xii) Locate the activity of selling a portion of a business or subsidiary.

a) Acquisition
b) Merger
c) Divestiture
d) Joint Venture

(xiii) Identify the digital advancement allowing mobile or remote security trading.

a) Online Trading Platforms
b) Physical Trading
c) Barter System
d) Telegraphic Transfer

(xiv) Locate the term for illegal trading based on non-public information.

a) Insider Trading
b) Day Trading
c) Scalping
d) Swing Trading

(xv) Indicate the document providing detailed company info to IPO investors.

a) Bank Statement
b) Salary Slip
c) Utility Bill
d) Prospectus

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Summarize the concept of private sector bank. (3)
3. Explain the differences between commercial and co-operative bank. (3)
4. Illsutrate the features of certificate of deposit. (3)
5. Summarize the concept of credit rating merchant banking. (3)
6. Evaluate the concept of hire purchase. (3)

OR

Summarize the concept of stock broking. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Show the role of Association of Mutual Funds in India. (5)
8. Illustrate the functions of money market. (5)
9. Illustrate the significance of lease. (5)
10. Illustrate the various components of Indian financial system. (5)
11. Summarize the limitations of public sector bank. (5)
12. Evaluate the significances of underwriting. (5)

OR

Summarize the importance of investment banker. (5)

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