**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

Register Number:

Date:16-04-2018 (9AM)

**B.Com – IV SEMESTER**

**END SEMESTER EXAMINATION,APRIL 2018**

**BC 4216- FINANCIAL MARKETS AND INSTITUTIONS**

**Time: 2 ½ Hours Max Marks: 70**

**This paper contains two printed pages and four parts**

**Section A**

**I Answer any five of the following (5 X 2 = 10marks)**

1. Define underwriting
2. Expand (a) OTCEI (b) ASBA
3. Why mutual funds are subject to market risk?
4. Give the meaning of American Depository Receipt
5. Mention two benefits of E-banking
6. Differentiate primary and secondary market
7. What do you understand by venture capital funds?

**Section B**

**II Answer any three of the following (3 x 5 = 15 marks)**

1. Briefly explain role of various brokers in the stock market
2. Analyse themerits and demerits of lease finance to Lessee
3. Explain the role of Mutual Funds in India.
4. Write a note on FII in India.
5. Briefly explain the merits and demerits of Credit card.

**Section C**

**III Answer any three of the following** (**3 x 10 = 30 marks)**

1. Discuss trading and settlement system in stock exchanges
2. Define factoring.Explain types of factoring
3. Summarize various mutual funds schemes available for investors in India
4. Highlight and explain the recent trends in financial services. Give suitable examples.
5. Enumerate advantages and disadvantages of FDI to India

**BC 4216-A-18**

**Section D**

**IV Compulsory Question (1 X 15 = 15 marks)**

Barbeque Nation Hospitality, which owns and operates Barbeque Nation restaurants, has steadily grown its owned and operated restaurant network from a single restaurant. The restaurant chain was founded in 2006 and had 102 outlets across the country as on March 31, 2018. In order to expand its business operations the company planning for an IPO comprising fresh issue of shares worth up to ₹200 crore, besides an offer for sale (OFS) of up to 61.79 lakh shares by the promoters. The proceeds were proposed to be used for the chain’s expansion and the repayment of its loans. Assume your firm ‘XYZ Securities’ have been appointed as lead merchant banker to initiate the IPO, in this context answer the following questions.

1. Briefly explain the functions of new issue market. [5M]
2. Explain the role of merchant banker during the process of IPO. [5M]
3. State complete procedure of issuing shares [5M]