

(6 pages)

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M.Com. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

Fourth Semester

Commerce – Core

FINANCIAL MARKETS

(For those who joined in July 2017-2020)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. _____ is a link between savers and borrowers, helps to establish a link between savers and investors.
- (a) Marketing (b) Financial market
(c) Money market (d) None of these

6. New issue market is known as _____.
- (a) Primary market (b) Secondary market
(c) Capital market (d) None of the above

7. NIFTY is the index of
- (a) BSE (b) NSE
(c) OTCEI (d) CSE

8. _____ issues does not bring in any fresh capital.
- (a) Equity (b) Preference
(c) Debenture (d) Bonus

9. ESOP stands for
- (a) Equity Share Option Plan
(b) Equity Share Option Premium
(c) Employee Stock Option Plan
(d) Equity Stock Option Plan

10. Securities Exchange Board of India (SEBI) was established in _____.
- (a) 2001 (b) 1984
(c) 1988 (d) 1956

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2. _____ acts as an intermediary between Govt. and money market.
- (a) RBI (b) SEBI
(c) Commercial banks (d) All the above
3. _____ is a market for lending and borrowing of short term funds.
- (a) Money market (b) Primary market
(c) Capital market (d) All of the above
4. _____ are an important instrument of short term borrowing by the Govt.
- (a) National saving certificate
(b) Bonds
(c) Treasury bill
(d) None of the above
5. Right shares are offered to _____.
- (a) Debenture holders
(b) Existing shareholders
(c) List 2 contributories
(d) Liquidators

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PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) What is FOREX market? Explain its various types.

Or

- (b) What is a Financial Instrument and explain its types?

12. (a) Explain the recent development in Indian money market.

Or

- (b) What are the advantages of money market?

13. (a) What do you mean by new issue market? Explain the functions.

Or

- (b) Write a short note on Primary Market.

14. (a) Discuss the services of stock exchange.

Or

- (b) What is the difference between genuine trading and Speculative trading?

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[P.T.O.]

15. (a) Write a brief note on the Securities and Exchange Board of India and its objectives.

Or

- (b) What are the defects of Indian Secondary Market?

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)
Each answer should not exceed 600 words.

16. (a) Which are the financial instruments used in financial market?

Or

- (b) Write a note on Indian Financial systems.

17. (a) Compare Capital market and Money market.

Or

- (b) Distinguish between call money market and commercial bill market.

18. (a) Explain the players and functions of New issue market.

Or

- (b) Which are the money market instruments? Explain.

19. (a) Which are the guidelines of New Issue market?

Or

- (b) Explain the concept of speculative trading.

20. (a) Identify the advantages, disadvantages and functions of secondary market.

Or

- (b) What is SEBI? Explain the powers and functions of SEBI.