

**PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)**

**BCom DEGREE EXAMINATION DECEMBER 2017  
(Fifth Semester)**

Branch - **COMMERCE (BUSINESS PROCESS SERVICE)**

**CAPITAL MARKETS FOR BUSINESS PROCESS SERVICES**

Time : Three Hours

Maximum : 75 Marks

**SECTION-A (20 Marks!)**

Answer **ALL** questions

**ALL** questions carry **EQUAL** marks (10 x 2 = 20)

- 1 What do you mean by secondary capital market?
- 2 What is meant by trade execution?
- 3 What denotes 'Repo'?
- 4 How to calculate compound interest?
- 5 What is 'Swaps'?
- 6 What do you mean by 'Sovereign and Counterpart risk'?
- 7 Define the term 'Mutual fund'.
- 8 What is meant by private equity?
- 9 What is collateral management?
- 10 What is 'Spin Offs'?

**SECTION - B (25 Marks)**

Answer **ALL** Questions

**ALL** Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a State the importance of capital markets in India.  
OR  
b Distinguish between OTC an exchange markets.
- 12 a What are the types of equity? Explain.  
OR  
b Write short notes on 'Euro Currency market'.
- 13 a What are the general types of assets used in derivatives market? Explain.  
OR  
b What are the types of risks in derivatives markets? Explain.
- 14 a Distinguish between mutual funds and hedge funds.  
OR  
b Explain the role of private equity in mutual funds.
- 15 a What are the objectives of investment banking?  
OR  
b Briefly explain the need for collateral management.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 What are the types of capital markets in India? Explain.
- 17 Enumerate the concept of interest calculation for securities and types of ratings.
- 18 Discuss in detail about the growth of derivatives market in India.
- 19 Overview the concept of hedge funds and describe the structure of hedge funds.
- 20 What are the services offered by the investment banking? Explain.