

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2024
(Fifth Semester)

Branch – COMMERCE (PROFESSIONAL ACCOUNTING)

MAJOR ELECTIVE COURSE – I : FINANCIAL MARKETS

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

- 1 The regulatory body for the securities market in India is _____.
(i) RBI (ii) SEBI
(iii) IRDA (iv) Stock exchanges
- 2 Which of the following is a global stock market index?
(i) OTCEI index (ii) Nifty
(iii) Sensex (iv) FTSE100
- 3 Capital market is a market for _____ capital.
(i) Long term capital (ii) Short term capital
(iii) Working capital (iv) Fixed capital
- 4 Market for borrowing and lending short term funds is called _____.
(i) Money market (ii) Capital market
(iii) Derivative market (iv) Forex market
- 5 Who is obligated to provide liquidity in the derivatives market by giving two way quotes all the time?
(i) Position trader (ii) Day trader
(iii) Market maker (iv) Arbitraders

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

- 6 a Explain the functions of financial market.
OR
b Summarize the Indian financial market scenario.
- 7 a Describe the objectives of Credit policy of Reserve Bank of India.
OR
b State the uses of Wholesale Price Index.
- 8 a Bring out the entry norms for new issues market.
OR
b Differentiate between Primary market and Secondary market.
- 9 a List out the instrument which is to be issued by Money market.
OR
b Explain the merits of Government Securities market.

Cont...

- 10 a Who controls the Commodity markets?
OR
b Describe the three main stages of Project financing.

SECTION -C (30 Marks)

Answer any **Three** questions

ALL questions carry **EQUAL** Marks

(3 x 10 = 30)

- 11 Discover the role of financial markets in Economic development of the country.
12 How the Fed devises monetary policy? Discuss in detail.
13 Classify the kinds of brokers engaged in Capital market.
14 Discuss the various components of Money market.
15 Enumerate the process of Asset Liability Management.

Z-Z-Z

END