22COP314N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom DEGREE EXAMINATION MAY 2026
(Third Semester)

Branch - **COMMERCE**

FINANCIAL MARKETS

Time: Three Hours Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	What is the main difference between the Primary Market and Secondary Market? a) New securities vs. Existing securities b) Government vs. Private securities c) National vs. International securities d) Bonds vs. Shares	K1	CO1
	2	Which of the following is an example of an Over-the-Counter Market? a) BSE b) NSE c) Forex Market d) NASDAQ	K2	CO1
2	3	The regulatory body for securities markets in India is: a) SEBI b) RBI c) IRDA d) NABARD	K1	CO1
	4	Call option gives the holder the right to: a) Sell an asset at a fixed price b) Buy an asset at a fixed price c) Exchange assets freely d) Borrow securities from SEBI	K2	CO1
3	5	Commodities traded in Indian exchanges include: a) Wheat, Gold, Crude oil b) Mutual Funds c) Government Bonds d) Treasury Bills	K1	CO1
	6	The FOREX market deals with: a) Exchange of shares b) Exchange of currencies c) Exchange of commodities d) Exchange of debt instruments	K2	CO1
4	7	Forward contracts and futures contracts are types of: a) Equity shares b) Derivatives c) Bonds d) Treasury bills	K1	CO1
	8	The main factor influencing derivative prices is: a) Demand and supply of derivatives b) Price of the underlying asset c) SEBI regulations d) Government borrowing policy	K2	CO1
5	9	Merchant banking in India is primarily regulated by: a) RBI b) SEBI c) NABARD d) Ministry of Finance	K1	CO1
	10	A major responsibility of merchant bankers is: a) Issuing currency b) Managing public issues of shares c) Controlling inflation d) Supervising banks	K2	CO1

Cont...

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	State the features of Debt Instruments.	K2	CO1
		(OR)		
	11.b.	List out the features of Financial Market.	K1	
2	12.a.	Bring out the features of Stock Exchange.	K2	CO2
		(OR)		
	12.b.	Explain the important functions of SEBI.	K3	
3	13.a.	What are the role of Corporate treasurer?	K2	CO3
		(OR)		
	13.b.	Illustrate the characteristics of Forex Market.	K3	
4	14.a.	Classify the various types of Derivatives.	K4	CO4
		(OR)		
	14.b.	Difference between commodity Derivatives Vs Financial Derivatives.		
5	15.a.	Evaluate the various types of Merchant banking.	K5	CO5
		(OR)		
	15.b.	Analyse the general obligations of Merchant bankers in India.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	State the functions of Financial Market	K2	CO1
2	17	Explain the various types of Investment.	K3	CO2
3	18	Discuss the key responsibilities of Corporate treasury.	K4	CO3
4	19	Illustrate the characteristics of Financial Services.	K4	CO4
5	20	Analyse the main role of Merchant Banking in India.	K5	CO5

Z-Z-Z END