

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022
(Sixth Semester)

Branch – COMMERCE (BUSINESS ANALYTICS)

DISCIPLINE SPECIFIC ELECTIVE – II:
PRIMARY MARKET AND SECONDARY MARKET

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 x 1 = 10)

1. Investment is the
 - a. Net additions made to the nations capital stock,
 - b. Employment of funds on assets to earn returns
 - c. Person's commitment to buy a flat.
 - d. Employment of funds on goods and services that are used in production process.
2. Which of the following would be considered a risk free investment?
 - a. Gold
 - b. Equity in a house
 - c. High grade corporate bonds
 - d. Treasury bills
3. ----- is a market for short term loans or financial assets
 - a. Equity market
 - b. Money market
 - c. Debt market
 - d. Depository market
4. -----are short term deposit instruments issued by banks and financial institutions to raise large sums of money.
 - a. Certificate of Deposits
 - b. Bills of Exchange
 - c. Bonds
 - d. Treasury Bills
5. A specialised market place that facilitates the exchange of securities that already exist, is known as
 - a. Capital market
 - b. Stock exchange
 - c. Money market
 - d. Primary market
6. The employees of a member of a stock exchange are called
 - a. Remisiers
 - b. Authorised clerks
 - c. Brokers
 - d. Jobbers
7. SEBI is the abbreviation for
 - a. Securities and Exchange Bureau of India
 - b. Securities and Executive Board of India
 - c. Securities and Exchange Board of India
 - d. Securities and Executive Bureau of India
8. Which of the following statements about the SEBI is correct?
 - a. One of the objectives of setting up SEBI was to protect the interests of investors
 - b. SEBI was established under the securities (Contract and Regulation) Act, 1956
 - c. SEBI issued various rules and regulations to help bring monetary gains for investors.
 - d. SEBI was formed from among thr directors of stock exchanges in India
9. SENSEX is the stock exchange based on which country?
 - a. Nepal
 - b. India
 - c. USA
 - d. Singapore

Cont...

10. A depository is
- An electronic transfer through dematerialization
 - A fixed deposit in a bank
 - A transfer of physical securities
 - Surveillance on price manipulation

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 7 = 35)

- 11 a Explain the need for investment.
OR
b Write a brief note on Risk and return on investment.
- 12 a Distinguish between primary market and secondary market.
OR
b Discuss the functions of Financial Market.
- 13 a Enlist the advantages of listing.
OR
b List out any ten services performed by stock exchange.
- 14 a Discuss the measures initiated by the SEBI towards building investor confidence.
OR
b Describe the powers commanded by the SEBI as regards the regulation of stock exchanges in India.
- 15 a Discuss the factors affecting share prices.
OR
b Write a note on stock market index.

SECTION - C (30 Marks)

Answer any THREE Questions

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

- 16 Discuss the various types of investment avenues in India.
- 17 Describe the defects of Indian money market.
- 18 Enumerate the various powers of recognised stock exchange.
- 19 Discuss broadly the role and the relevance of the SEBI in the development and regulation of securities market.
- 20 Bring out the advantages of a depository.

Z-Z-Z

END