

MASTER OF COMMERCE
FIRST SEMESTER
FINANCIAL MARKETS AND INSTITUTIONS
MCM – 104

**SET
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 1.30 hrs.

Full Marks: 35

Time: 15 mins.

(Objective)

Marks: 10

Choose the correct answer from the following:

1 × 10 = 10

1. Which of the following is the primary function of a financial market?
 - a. Providing entertainment
 - b. Facilitating the buying and selling of financial instruments
 - c. Offering travel services
 - d. Promoting healthcare initiatives
2. What is the relationship between bond prices and interest rates in the Debt market?
 - a. Inverse relationship
 - b. Direct relationship
 - c. No relationship
 - d. Random relationship
3. Underwriting in an IPO is the _____.
 - a. Process of determining the stock price before listing
 - b. Process of selling shares to institutional investors
 - c. Process of managing the issuance and sale of new securities
 - d. Process of allocating shares to retail investors
4. Which of the following factor influence the success of an FPO?
 - a. Offering shares at a discount
 - b. Reducing the number of shares offered
 - c. Increasing the share price significantly
 - d. Restricting access to institutional investors
5. Maturity period of Commercial paper is _____.
 - a. 1 day to 1 year
 - b. 15 days to 1 year
 - c. 10 days to 1 year
 - d. None of the above
6. The word ' Bulls and Bears ' are associated with:
 - a. Import and export
 - b. Banking
 - c. Marketing
 - d. Speculator
7. Which of the following agency regulates and supervises NBFC's?
 - a. Finance Ministry
 - b. SEBI
 - c. RBI
 - d. Respective state government

8. Objective of set up of NABARD by an act of Parliament in 1982 was_____.
- a. To facilitate credit for agriculture only
 - b. To promote rural development and infrastructure
 - c. Both (a) and (b)
 - d. None of the above
9. ADR stands for:
- a. American Debit Receipt
 - b. American Depository Receipt
 - c. Asian Deposit Return
 - d. Annual Dividend Report
10. The World Bank Group primarily focuses on_____.
- a. Poverty Alleviation and Development
 - b. International Trade
 - c. Global Banking Regulations
 - d. Currency Exchange Rates
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(Descriptive)

Time : 1 Hr. 15 Mins.

Marks : 25

[Answer question no.1 & any two (2) from the rest]

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| 1. Elaborate the functions of NABARD. | 5 |
| 2. Give a classification of Financial market in India. Briefly indicate their functions. | 10 |
| 3. Analyse the regulatory role of SEBI under the SEBI Act, 1992. | 10 |
| 4. Discuss the different types of Money market instruments. | 10 |
| 5. Describe the different types of Derivative contracts and their use as a tool for hedging risk. | 10 |

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