D 131920 **(Pages : 2)** **Name..................................**

Reg. No...............................

THIRD SEMESTER M.Com. DEGREE [REGULAR/SUPPLEMENTARY] EXAMINATION, NOVEMBER 2025

(CBCSS)

Master of commerce

MCM3E(F)02—FINANCIAL MARKETS AND INSTITUTIONS

(2019 Admission onwards)

Time : Three Hours Maximum : 30 Weightage

Answer should be written in **English** *only.*

Section A

Answer any **four** *questions.*

Each question carries 2 *weightage.*

1. What is money market ?
2. What are derivatives ?
3. What is MCX ?
4. What is FDI ?
5. What are ADRs ?
6. What is a mutual fund ?
7. What is crypto currency ?

(4 × 2 = 8 weightage)

Section B

Answer any **four** *questions.*

Each question carries 3 *weightage.*

8. Explain the Role of foreign capital in Indian financial system.
9. Bring out the role of NABARD.
10. Elaborate on SEBI guidelines on mutual fund.

Turn over

11. What are the Hindrances for the development of debt market in India ?

12. Which are the sub markets of a money market ?

13. Explain the nature and importance of buy back of shares.

14. Explain the working of NSE.

(4 × 3 = 12 weightage)

Section C

Answer any **two** *questions.*

Each question carries 5 *weightage.*

15. Write a note on Major international stock markets.

16. Explain the nature of various instruments in debt market.

17. What are the various innovative financial instruments, in India ?

18. Explain the nature and role of PFRDA.

(2 × 5 = 10 weightage)

D 131920-A **(Pages : 4)** **Name..................................**

Reg. No...............................

THIRD SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY) EXAMINATION, NOVEMBER 2025

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Master of Commerce

MCM 3E (F) 02—FINANCIAL MARKETS AND INSTITUTIONS

(2019 Admission onwards)

[Improvement Candidates need not appear for MCQ Part]

(Multiple Choice Questions for SDE Candidates)

Time : 20 Minutes	**Total No. of Questions : 20**	**Maximum : 5 Weightage**

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

MCM 3E (F) 02—FINANCIAL MARKETS AND INSTITUTIONS

(Multiple Choice Questions for SDE Candidates)

1. What is the full form of 'CBOT' ?

   (A) Chinese Board of Trade. (B) Chennai Board of Trade.

   (C) Chicago Board of Trade. (D) Chartered Board of Trade.

2. The position of money at the time it is wanted" is the definition of finance given by ————.

   (A) Dougal. (B) Wheeler.

   (C) F.W. Paish. (D) Howard and Upton.

3. Corporation finance deals with financial aspects of :

   (A) Promotion of new enterprise.

   (B) Accounting problems connected with the distinction between capital and income.

   (C) Administrative problems arising out of growth and expansion.

   (D) All of the above.

4. The money banks borrow and lend from each other :

   (A) Call money. (B) Certificate of deposit.

   (C) Put money. (D) Trade gap.

5. Which of the following is an objective of commodity market ?

   (A) Maintaining buffer stock. (B) Liquidity and price discovery.

   (C) Price stabilisation. (D) All of the above.

6. Customized contract between two parties to buy or sell an asset at a specified price on a future date :

   (A) Future Contract. (B) Forwards.

   (C) Options. (D) Spot Contract.

7. The market where monetary assets mature within a year :

   (A) Capital market. (B) Money market.

   (C) Debt market. (D) Primary market.

8. In which year was the NSE recognized as a stock exchange by SEBI ?

   (A) 1993. (B) 1875.

   (C) 1995. (D) 1900.

9. Which of the following is not a characteristic of the stock exchange ?

   (A) It provides a place where existing and approved securities can be bought and sold easily.

   (B) It is a closed market.

   (C) In a stock exchange, transactions take place between its members or their authorised agents.

   (D) It is an organised market.

10. Which of the following is not a participant in the Commodity derivative market ?

   (A) Hedger. (B) Speculator.

   (C) Analyst. (D) Arbitrageur.

11. Which organization regulates commodity futures and options market in the US ?

   (A) DFI. (B) ZCB.

   (C) CFTC. (D) CME.

12. Which of the following is not a type of share issue ?

   (A) IPO. (B) Bonus Issue.

   (C) QIB. (D) Right issue.

13. Which of the following is not a reason for buy back of shares ?

   (A) Excess cash with not many project opportunities.

   (B) Undervalued stock.

   (C) Heavy loss in the business.

   (D) To achieve optimum capital structure.

14. —————————— is dedicated to developing the Indian Mutual Fund Industry on professional, healthy and ethical lines.

   (A) SIDBI. (B) AMFI.

   (C) SEBI. (D) UTI.

15. Which of the following is the primary objective of UTI ?

    (A) Promote and pool the small savings from the lower- and middle-class income groups who cannot have direct access to the stock market and

    (B) Provide them with an opportunity to share the benefits of prosperity resulting out of rapid industrialization in India.

    (C) Both (A) and (B).

    (D) None of the above.

16. Short term financial instruments issued by commercial banks :

    (A) Certificate of Deposit. (B) Treasury bill.

    (C) Commercial Paper. (D) Call money.

17. Which of the following is not an investment institution ?

    (A) UTI. (B) GIC.

    (C) LIC. (D) SIDBI.

18. Derivative contracts that allow the exchange of cash flows between two parties :

    (A) Call option. (B) Put option.

    (C) Swap. (D) Futures contract.

19. A single window for meeting the financial and developmental needs of the MSME sector to make it strong, vibrant and globally competitive :

    (A) IDBI. (B) CRAFICARD.

    (C) NABARD. (D) SIDBI.

20. A financial vehicle made up of a pool of money collected from many investors to invest in securities like stocks, bonds, money market instruments, and other assets :

    (A) LIC. (B) IRDI.

    (C) Mutual Funds. (D) UTI.