

NOTE:- 1. All questions are compulsory.
2. All questions carry equal marks.

Q1)A) Choose the correct alternative (Any 8)

(08)

1. _____ is a must for every type of business.
a) Finance b) Debts c) Problems d) Mistakes
2. Capital market is a market for _____ term funds.
a) Long and medium b) Short c) Weekly d) Very short
3. Foreign exchange market is also known as _____ market.
a) Exim b) Gold c) Forex d) Crypto
4. BSE is located on Dalal Street in _____.
a) Chennai b) Delhi c) Mumbai d) Jaipur
5. Capital formation occurs in _____ stages.
a) Three b) Five c) Seven d) Nine
6. _____ market is a market for short term funds.
a) Money b) Capital c) Grain d) Fruits
7. Commodity market trades in _____.
a) Drugs b) Junk c) Commodities d) Scrap
8. _____ regulates financial markets.
a) SEBI b) FBI c) CBI d) ILO
9. _____ is one of the leading stock exchanges in India.
a) NSE b) LSE c) TSE d) SSE
10. The _____ market was introduced in India in the year 2000.
a) Phone b) Wine c) Derivatives d) Chips

Q1)B) State whether the following statements are True or False (Any 7):-

(07)

1. Lenders and borrowers can trade funds through the financial system.
2. Unorganised money market has high risk.
3. Commodity exchanges provide a ready market for purchase and sale of commodities.
4. OTCEI was established in 1990.
5. A derivative can be traded on stock exchange or over the counter exchange.
6. Expenditure is the basis for capital formation.
7. SBI is the central bank of India.
8. India has very less amount of foreign exchange reserves.
9. The main function of a stock exchange is to undertake malpractices.
10. Commodity market is not beneficial for farmers.

- Q2) a) Explain the structure of financial markets in India. (08)
b) Discuss in brief the capital formation process. (07)
OR
c) Explain the meaning and functions of financial markets. (08)
d) State the classification of financial markets. (07)
- Q3) a) Elaborate the advantages and drawbacks of money market. (08)
b) Examine in brief the role played by capital market. (07)
OR
c) Define capital market. Explain its various sub-segments. (08)
d) Discuss the role of money market in India. (07)
- Q4) a) Explain in brief the concept of foreign exchange markets. (08)
b) State the functions of commodity markets. (07)
OR
c) Explain in brief the concept of derivative markets. (08)
d) Discuss the advantages and disadvantages of commodity markets. (07)
- Q5) a) Elaborate the role played by market exchanges in India. (08)
b) What is the role of SEBI as a market regulator in India? (07)
OR
- Q5) Write Short Notes on:-(Any 3) (15)
1. Capital formation.
2. Participants of money market.
3. Advantages of foreign exchange market.
4. OTCEI.
5. Classification of derivative market.