

UNIT – X

(FINANCIAL MARKET)

Carrying 1 Marks

1. In the primary market the methods of floating new issues are - 1
(a) Offer through prospectus (b) Offer for Sale
(c) C-IPOS (d) All of the above
2. The objectives of SEBI are – 1
(a) To regulate stock Exchanges and securities.
(b) To protect the Right and interests of investors
(c) To prevent trading malpractices.
(d) All of the above.
3. How many kinds of financial Market. 1
(a) One
(b) Two
(c) Three
(d) Four
4. National Stock Exchange (NSE) was incorporated in 1992 but it started operation – 1
(a) 1993
(b) 1994
(c) 1995
(d) 1999
5. The Headquarter of SEBI is in – 1
(a) Kolkatta
(b) Bengluru
(c) Mumbai
(d) None of these
6. Commercial Bill is used to finance. 1
(a) Working Capital
(b) Fixed Capital
(c) Both
(d) None of these
7. Financial Market Consists of 1
(a) RBI
(b) SBI
(c) GIC
(d) All of the above
8. Call Money is 1
(a) Short term Finance
(b) Long term Finance
(c) Both
(d) None of these'
9. Commercial Paper is 1
(a) Promissory Note
(b) Secured promissory Note
(c) Unsecured Promissory

- (d) None of the above.
10. The Govt. of India Established SEBI on - 1
 (a) 1988
 (b) 1989
 (c) 1990
 (d) 1991
11. Primary Market is also Known as : 1
 (a) New Issues Market
 (b) Regional Stock Exchange
 (c) SEBI
 (d) NSE
12. The Full form of NSE is - 1
 (a) National Stock Exchange
 (b) National Shares Exchange
 (c) National Sale Exchange
 (d) None of the above
13. The period of maturity in Money Market is up to - 1
 (a) One Year
 (b) Two Years
 (c) Three Years
 (d) Five Years
14. The Instruments of Money Market are - 1
 (a) Call Money
 (b) Commercial Bill
 (c) Certificate Deposit
 (d) All of the above.
15. The main Instruments traded in the Capital Market are - 1
 (a) Shares & Bonds
 (b) Treasury Bill
 (c) Commercial Paper
 (d) Certificate Deposit

4 Marks

1. Write any four Regulatory functions of SEBI 4
2. Mention the function of Financial Market 4
3. Define Money Market. Write the name of its instruments. 4
4. Discuss any four differences between Capital Market and Money Market. 4
5. Explain the objectives of National Stock Exchange (NSE) 4
6. Write any four advantages of OTC Market. 4
7. Explain any four protective functions of SEBI. 4
8. What is Treasury Bill ? 4
9. Name and Explain the two Market segments of NSE. 4
10. What is Financial Market ? Explain its Functions. 4

11. What is Stock Exchange ? Explain the trading procedure of Stock Exchange. 4
12. What do you mean by (i) Bulls and Bears (ii) Penny Stacks. 4
13. Why SEBI is established ? Give Reasons. 4
14. What do you mean by SENSEX. Explain. 4
15. Explain four differences between Primary Market and Secondary Market. 4

6 Marks

1. Discuss the meaning and functions of Stock Exchange. 6
2. Write short Notes on- 6
 - a) Call Money
 - b) Mutual Fund Capital
3. What is the full form of SEBI ? Explain its objectives and organisation structure. 6
4. Explain the recent Capital Market reforms in India. 6
5. Discuss the Method of floating in Primary Market. 6
6. Define financial Market and discuss its functions. 6
7. Stock Exchange provides liquidity in investments. Discuss. 6
8. What is Primary Market. Explain the differences between Primary Market and Secondary Market. 6
9. What is OTCEI / and Explain its advantages. 6
10. Name the following :- 1 ½ x
 - (a) The stock Exchange which is the latest, must modern and technology driven Exchange. 4=6
 - (b) The bill of Exchange used to Finance working Capital requirements of Business, Firms.
 - (c) The Market where securities are sold by the company to the investors directly.
 - (d) The Market where the prices are determined by Demand and Supply for the securities.