

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2023 – 2024 and thereafter)

M.COM DEGREE EXAMINATION, APRIL 2026
COMMERCE
SECOND SEMESTER

COURSE : CORE
PAPER : FINANCIAL MARKETS
SUBJECT CODE : 23CM/PC/FM24
TIME : 3 HOURS

MAX. MARKS: 100

SECTION A				
Q. No.	Answer all questions.	(4 x 5 = 20)	CO	KL
1	Define the Indian Financial System.		1	K1
2	Write a short note on REPO and Reverse REPO.		2	K2
3	What are core characteristics of Capital Market?		1	K1
4	Distinguish between Forwards and Futures.		2	K2
SECTION B				
Q. No.	Answer all questions.	(4 x 10 = 40)	CO	KL
5	A) Examine the impact of RBI regulations on the Indian Money Market. (OR) B) Analyze the role of the Indian Financial System in fostering economic development.		3	K3
6	A) Evaluate the significance of Development Financial Institutions (DFIs). (OR) B) Explain the capital market instruments in detail.		3	K3
7	A) Explain the Initial Public Offer (IPO) process and its advantages and limitations. (OR) B) Analyze the components of Indian Financial System.		4	K4
8	A) Explain how Exchange Traded Funds (ETFs) provide a diversified investment strategy compared to traditional hybrid securities. (OR) B) Examine the mechanism of Book-Building and Global Depository Receipts (GDRs).		4	K4
SECTION C				
Q. No.	Answer all questions.	(2 x 20 = 40)	CO	KL
9	A) Assess the effectiveness of the Indian Financial System in addressing current economic challenges such as financial inclusion, liquidity constraints, and regulatory reforms. (OR) B) Evaluate the effectiveness of various Money Market instruments (Call Money, Treasury Bills, Commercial Bills, CD, Repo & Reverse Repo) in managing short-term funds in India.		5	K5
10	A) Critically assess the functions of secondary market. (OR) B) “Derivative markets increase both efficiency and speculation.” Evaluate this statement and explain the types of derivatives.		5	K5
