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Reg. No. : .....

Name : .....

Fourth Semester B.Com. Degree Examination, July 2018
First Degree Programme under CBCSS
Core Course : CO 1441/CC 1442
CAPITAL MARKET
(Common for Commerce/Commerce with Computer Application)
(2014 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

PART – A

Answer **all** questions. **Each** question carries **1** mark.

1. What is a covered call ?
2. What do you mean by book building ?
3. What is Red Herring Prospectus ?
4. What is rights issue ?
5. What is underwriting ?
6. What is limit order book ?
7. What is value weighted index ?
8. What do you mean by put-call parity ?
9. What is forward contract ?
10. Define risk of an investment.

(10×1=10 Marks)

PART – B

Answer **any eight** questions. **Each** question carries **2** marks.

11. What are money market instruments ?
12. When is an investment said to be highly marketable ?
13. What do you mean by G. Sec. or Govt. Securities ?
14. State the function of a depository.
15. What are the objectives of NSE ?

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16. State the two different types of options.
17. Name the commodity futures exchanges in India.
18. Define, 'institutional investors'.
19. What is a depository participant ?
20. What do you mean by preferential allotment ?
21. List the functions of financial markets.
22. Define, 'stock exchange'. **(8×2=16 Marks)**

PART – C

Answer **any six** questions. **Each** question carries **4** marks.

23. Explain the role of government in securities market.
24. Discuss the methods of raising fund in the primary market.
25. What are the main features of treasury bills ?
26. Explain the common types of Financial derivatives.
27. Explain the concept of 'Free-float Methodology'.
28. What are the major developments effected in BSE since the NEP. (New Economic Policy).
29. Give the stock market classification of equity shares.
30. What is IPO grading ? What are its constituents ?
31. Discuss the major steps taken by the SEBI to reform the Indian capital market. **(6×4=24 Marks)**

PART – D

Answer **any two** questions. **Each** question carries **15** marks.

32. Briefly discuss the procedure for buying and selling securities in the secondary market.
33. Briefly discuss the role and functions of various participants in the Indian Capital Market.
34. Briefly explain the functions of the Securities Exchange Board of India.
35. What is SENSEX ? Discuss the methodology of calculating it. **(2×15=30 Marks)**