

15. (a) Explain the procedures for listing of securities on a stock exchange.

Or

- (b) Discuss the membership rules in stock exchange.

PART C — ( $5 \times 8 = 40$  marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the classification of Capital Market.

Or

- (b) Explain the structure of Financial Market in India.

17. (a) Explain the various methods of floating of Capital.

Or

- (b) Explain the role of intermediaries institutions in a stock market.

18. (a) Explain the functions of Stock Exchange.

Or

- (b) Explain the advantages of listing.

19. (a) Write a short note on Forward and Futures.

Or

- (b) Write a short note on Derivatives and options.

20. (a) Explain in detail the Securities Contract Act.

Or

- (b) Explain the purpose and operation of investor protection fund.

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B.Com. (CBCS) DEGREE EXAMINATION,  
APRIL 2019.

Fourth Semester

Commerce – Main

CAPITAL MARKET

(For those who joined in July 2017 onwards)

Time : Three hours

Maximum : 75 marks

PART A — ( $10 \times 1 = 10$  marks)

Answer ALL questions.

Choose the correct answer :

1. A \_\_\_\_\_ market is a market in which people trade financial securities and derivatives such as futures and options at low transaction costs.  
(a) Financial (b) Capital  
(c) Securities (d) Stock
2. A \_\_\_\_\_ market is a financial market in which long term debt or equity – backed securities are bought and sold  
(a) Capital (b) Securities  
(c) Foreign (d) Financial



3. Public issue can be further classified into Initial Public Offer (IPO) and \_\_\_\_\_  
 (a) Latest Public Offer (LPO)  
 (b) Follow on Public Offer (FFO)  
 (c) Forward on Public Offer (FPO)  
 (d) Last on Public Offer (LPO)
4. A \_\_\_\_\_ market is a market that issues new securities  
 (a) Secondary (b) Primary  
 (c) Stock (d) Securities
5. Instruments such as stock, bonds, options and futures are bought and sold in \_\_\_\_\_ market  
 (a) Primary (b) Wholesale  
 (c) Secondary (d) Securities
6. Acceptance of a qualifying security for trading over a stock exchange is called \_\_\_\_\_  
 (a) Listing (b) Report  
 (c) Exchange (d) Clearance
7. In Finance, a \_\_\_\_\_ is a contract that derives its value from the performance of an underlying entity  
 (a) Derivatives (b) Commodity  
 (c) Options (d) Futures
8. In finance, a \_\_\_\_\_ contract is a standized forward contract  
 (a) Commodity (b) Options  
 (c) Futures (d) Forward
9. A \_\_\_\_\_ is a tradable financial asset.  
 (a) Options (b) Security  
 (c) Bond (d) Stock

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10. SEBI expansion is \_\_\_\_\_  
 (a) The Securities and Exchange Board of India  
 (b) The Securities and Export Board of India  
 (c) The Stock and Exchange Board of India  
 (d) The Secondary and Exchange Board of India

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Describe the legislative measures taken by the government to support the Indian Financial system.  
 Or  
 (b) Explain the constituents of Capital Market.
12. (a) Write a short note on Public Issue.  
 Or  
 (b) Write the procedure of Public Issue.
13. (a) Write a short note on BSE.  
 Or  
 (b) Distinguish between Investment and Speculation.
14. (a) Distinguish between commodity and financial derivatives.  
 Or  
 (b) What are the types of derivatives and explain.

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