

Code No. : 12011 E Sub. Code : SMC0 43/  
AMCO 43

B.Com. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2022.

Fourth Semester

Commerce — Core

CAPITAL MARKET

(For those who joined in July 2017–2020)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The capital market in India is controlled by?

- (a) RBI (b) NABARD  
(c) SEBI (d) IRDA

7. In the options market securities are trade ———

- (a) for conditional future delivery  
(b) immediately by the investors  
(c) previously in stock market  
(d) for exchange of other securities

8. Financial derivatives include ———

- (a) stocks (b) bonds  
(c) futures (d) none of the above

9. SEBI stands for ———

- (a) Securities Exchange Board of India  
(b) Stock Exchange Board of India  
(c) Securities and Exchange Board of India  
(d) Stock Earn Board of India

10. The securities contract (regulation) act came into force with effect from ———

- (a) 1949 (b) 1954  
(c) 1956 (d) 1957

2. ——— is a link between savers and borrowers, helps to establish a link between savers and investors.

- (a) Marketing (b) Financial market  
(c) Money market (d) None of these

3. When an already listed company makes a fresh issue of securities to the public, it is called?

- (a) FPO (b) Rights issue  
(c) Bonus issue (d) IPO

4. ——— is the market where the existing securities of companies are trade.

- (a) Primary market (b) Secondary market  
(c) Money market (d) None of these

5. How many companies are included in the BSE sensex?

- (a) 25 (b) 30  
(c) 50 (d) 111

6. Nifty was established in which year?

- (a) 1952 (b) 1965  
(c) 1996 (d) 2006

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PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).  
Each answer should not exceed 250 words.

11. (a) Differentiate between primary and secondary market.

Or

(b) Explain the different kinds of financial assets.

12. (a) Describe the role of intermediaries.

Or

(b) Differentiate rights issue from bonus issue.

13. (a) Explain the different kinds of listing.

Or

(b) State the difference between investment and speculation.

14. (a) Briefly explain the types of derivatives.

Or

(b) What are options?

15. (a) Give a short note on securities contract Act.

Or

(b) Comment on investor protection fund.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)  
Each answer should not exceed 600 words.

16. (a) Describe the structure of financial market in India.

Or

- (b) Explain the role of capital market in India.
17. (a) What are the different types of intermediaries in capital market?

Or

- (b) Explain the book building process.
18. (a) What are functions of stock exchanges?

Or

- (b) Briefly explain the procedure in de-materialization.
19. (a) Distinguish between commodity and financial derivatives.

Or

- (b) Differentiate futures from options.

20. (a) Describe the role and functions of SEBI.

Or

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