

(Pages : 4)

P – 8176

Reg. No. : .....

Name : .....

**Fifth Semester B.A./B.Sc./B.Com. Degree Examination, March 2023**

**First Degree Programme under CBCSS**

**Double Main Programme**

**Open Course**

**CO 1551.3 : CAPITAL MARKET OPERATIONS**

**(2020 Admission)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **all** questions in **one** or **two** sentences. **Each** question carries **1** mark.

1. What is capital market?
2. What do you mean by primary market?
3. What is book building?
4. What is rights issue?
5. What is a debt instrument?
6. What is no par stock?
7. What is a depository?
8. What is insider trading?
9. What is an option contract?
10. What is swap?

**(10 × 1 = 10 Marks)**

P.T.O.



## SECTION – B

Answer any **eight** questions in not exceeding **one** paragraph each. **Each** question carries **2** marks.

11. Which are the most common capital markets?
12. What do you understand by sweat equity shares?
13. What are cumulative preference shares?
14. What is meant by mutual funds?
15. What are creditorship securities?
16. What do you mean by offer for sale?
17. What is private placement?
18. What is online trading?
19. Name any two major stock exchanges in India.
20. What are stock market indices?
21. Write a short note on OTC market.
22. Who is a depository participant?
23. What is dematerialization?
24. Define speculation.
25. Who is a bear speculator?
26. What is a call option?

**(8 × 2 = 16 Marks)**



### SECTION – C

Answer any **six** questions in not exceeding **120** words. **Each** question carries **4** marks.

27. What are the reasons for the slow growth of Indian capital markets?
28. What are the financial instruments traded on the Stock exchanges?
29. Explain the different methods of new issue of securities in the primary market.
30. What are the advantages of public issues?
31. Explain the procedure of book building process.
32. Distinguish primary market from secondary market.
33. Enumerate the functions of NSDL.
34. Explain the procedures of dematerialization.
35. What are the benefits of dematerialization of shares?
36. Explain the functions of a depository.
37. Distinguish between Investor and speculator.
38. What are the features of forward contracts?

**(6 × 4 = 24 Marks)**

### SECTION – D

Answer any **two** questions in not exceeding **4** pages each. **Each** question carries **15** marks.

39. Discuss the structure of Indian capital market.
40. Discuss in detail the functions of secondary market.
41. What are the different types of stock trade orders?



- 42. Explain the procedure for buying and selling securities on a stock exchange.
- 43. Explain the advantages and limitations of equity shares.
- 44. Discuss the different types of speculators in the stock market.

**(2 × 15 = 30 Marks)**

---

St. Xaviers College Library

