

Vidya Vikas Mandal's
Shree Damodar College of Commerce and Economics Margao-Goa
S.Y.BCOM Semester III, / Supplementary Examination, May/June 2019

INTRODUCTION TO CAPITAL MARKET

Duration: 2 hours

Max. Marks: 80

Instructions:

- All questions are compulsory, however internal choice is available.
- Figures to the right indicate maximum marks to the questions and sub-questions.
- Start each question on a fresh page.

Q.1. Answer briefly **any four** of the following: (4x4=16)

1. Role of Financial Markets in Capital Allocation.
2. Four points of difference between equity and debt securities.
3. Four disadvantages of equity share market.
4. Two factors influencing the choice between equity and debt capital.
5. Four benefits of investing in debt instruments.
6. Concept of Applications Supporting Blocked Amount (ASBA).

Q.2. Answer briefly **any four** of the following: (4x4=16)

1. Two functions of the Primary market.
2. Online trading in stock market.
3. Role of Hedging in Derivative market.
4. Process of trade settlement in secondary markets.
5. The risk management process for derivatives.
6. Short note on trading and settlement of derivatives.

Q.3.A. Explain any six precautions of investing in equity market.

OR

(12)

Q.3.B. Explain any six participants of securities market.

Q.4.A. Explain the steps involved in Initial Public offering (IPO) in equity market.

OR

(12)

Q.4.B. Explain the role of Security and Exchange Board of India (SEBI) in regulating primary markets in India.

Q.5.A. Explain the different sources of information of secondary market in India.

OR

(12)

Q.5.B. Explain the obligations and grievance redressal mechanism for investors in Secondary Markets.

Q.6.A. Explain the structure of derivative markets in India.

OR

(12)

Q.6.B. Explain any six types of derivative products widely used in India.