



End Term (Even) Semester Examination May-June 2025

Roll no.....

Name of the Program and semester: B. Com (H) & IV

Name of the Course: Fundamentals of Capital Market

Course Code: BCH 406

Time: 3-hour

Maximum Marks: 100

Note:

- (i) All the questions are compulsory.
- (ii) Answer any two sub questions from a, b and c in each main question.
- (iii) Total marks for each question is 20 (twenty).
- (iv) Each sub-question carries 10 marks.

Q1.

(2X10=20 Marks)

- a. What function do capital markets serve in the economy, and how do they contribute to promoting economic growth? CO1
- b. Describe how Alternative Investment Funds (AIFs) are categorized according to their investment approaches.CO1
- c. Who are foreign portfolio investors (FPIs), and what makes them significant for the economic development of emerging markets? CO1

Q2.

(2X10=20 Marks)

- a. Give a concise overview of Indian Depository Receipts (IDRs) and warrants.CO2
- b. List and describe the various categories of debentures.CO2
- c. Explain the primary categories of securities traded in capital markets, such as stocks, bonds, and derivative products.CO2

Q3.

(2X10=20 Marks)

- a. Examine how ASBA enhances efficiency, transparency, and safeguards investors in securities offerings.CO3
- b. Describe the function of a green shoe option and how it advantages both the issuer and the underwriters.CO3
- c. Describe the process of initial public offerings (IPOs) and bond issuances in the primary market. What are the main steps involved? CO3

Q4.

(2X10=20 Marks)

- a. Examine the different trading mechanisms used in secondary markets, including continuous trading, bulk trading, block trading, and grouping.CO4
- b. Compare the Sensex and Nifty indices based on their methodology, composition, and importance.CO4
- c. Examine the shift from traditional open outcry trading to electronic trading platforms in secondary markets.CO4

Q5.

(2X10=20 Marks)

- a. What are intermediaries in the securities market, and what function do they serve in financial markets? CO5
- b. Explain the roles and duties of stock brokers, lead managers, syndicate members, and investors in the book-building process.CO5
- c. Describe how intermediaries help facilitate the buying and selling of securities between investors and issuers.CO5