



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

M.Com. DEGREE EXAMINATION – COMMERCE

FIRST SEMESTER – APRIL 2025

PCO1MC05 – CAPITAL AND DERIVATIVES MARKET



Date: 03-05-2025

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

SECTION A – K1 (CO1)

Answer ALL the questions

(5 x 1 = 5)

1 Fill in the blanks

- a) Madras stock exchange was operating till year _____
- b) NASDAQ stands for _____
- c) LTP stands for _____
- d) ADR stands for _____
- e) The price at which an option holder can buy or sell the underlying asset is called the _____ price _____

SECTION A – K2 (CO1)

Answer ALL the questions

(5 x 1 = 5)

2 Write a short note on the following

- a) Open Interest
- b) Stock Exchange
- c) Insider Trading
- d) SWAPS
- e) Call American

SECTION B – K3 (CO2)

Answer any THREE of the following in 100 words each.

(3 x 10 = 30)

- 3 Construct a stock market index with a base point of 100 using 10 stocks and illustrate how alterations in the prices of these 10 stocks influence the index value.
- 4 Prepare a contract note for the sale of 10 shares of MRF.
- 5 Identify the various types of derivatives.
- 6 Identify the features of stock index features.
- 7 How do companies make use of listing of their companies in stock exchanges?

SECTION C – K4 (CO3)

Answer any TWO of the following in 200 words each.

(2 x 12.5 = 25)

- 8 Analyze the factors that influence changes in option premium values.
- 9 What measures has the Securities and Exchange Board of India implemented to oversee and regulate the securities market?
- 10 Describe the book-building process commonly used in Initial Public Offerings (IPOs).
- 11 Elucidate the clearing and settlement procedures employed in the securities market.

SECTION D – K5 (CO4)

	Answer any ONE of the following in 500 words	(1 x 15 = 15)
12	Explain the merits and demerits of primary and secondary markets.	
13	Evaluate the significance of Foreign Institutional Investors (FII) and Domestic Institutional Investors (DII) in the Indian stock market.	

SECTION E – K6 (CO5)

	Answer any ONE of the following in 1000 words	(1 x 20 = 20)
14	Examine the innovations and key milestones that have influenced the evolution of stock exchanges throughout history.	
15	Elaborate the functions of Depositories and Depository Participants in India.	

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