

**BACHELOR OF BUSINESS ADMINISTRATION
FIFTH SEMESTER [SPECIAL REPEAT]
STOCK MARKET OPERATION
BBA – 502C**

**SET
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

(Objective)

Marks: 20

Choose the correct answer from the following:

1 × 20 = 20

1. SEBI announced plans to tighten regulations for which type of trading?
 - a. Spot trading
 - b. Investor trading
 - c. Algorithmic trading
 - d. None of the above
2. SEBI has relaxed investment rules for which funds?
 - a. Angel Funds
 - b. Mutual Funds
 - c. Debt Funds
 - d. None of the above
3. Which of the following is not a function of SEBI?
 - a. Protecting the interests of investors
 - b. Registration of share brokers
 - c. Change in the Cash Reserve Ratio
 - d. Allow Foreign Institutional Investors (FII) to invest in the securities market.
4. The type of exchange members who only buy and sell for their personal account is classified as
 - a. non-investment traders
 - b. professional traders
 - c. commercial traders
 - d. investment traders
5. The financial institutions having loans swapped for bonds can sell all the bonds in
 - a. under-developed markets
 - b. developed markets
 - c. primary markets
 - d. secondary markets
6. Which of the following is the benefit Depositories?
 - a. Reduction in the share transfer time to the buyer
 - b. Reduced Risk of stolen, fake, forged shares
 - c. No Stamp duty on transfer of shares in dematerialized form
 - d. All of the above
7. Mr. X has to pay Rs 5,00,000 in three months' time for the imports made by him. The correct hedging policy for him would be to
 - a. Buy an Rs Call Option
 - b. Sell an Rs Call Option
 - c. Buy an Rs Put Option
 - d. Sell an Rs Put Option
8. Which of the following is not available in India?
 - a. Index Options
 - b. Index Futures
 - c. Commodity Options
 - d. Commodity Futures

9. If the Strike price is more than the spot price of the asset, the call option is known as
 - a. American Option
 - b. European Option
 - c. Out of Money Option
 - d. In the Money Option
10. Which of the following derivative is not traded on the Indian Stock Market?
 - a. Index Options
 - b. Stock Futures
 - c. Index Futures
 - d. Forward Rate Agreements
11. Who controls the capital market in India?
 - a. SEBI
 - b. RBI
 - c. IRDA
 - d. NABARD
12. Which of the following reasons is not responsible for the ups and downs in the Sensex?
 - a. Rain
 - b. Monetary policy
 - c. Political instability
 - d. None of the following
13. How many companies are included in the SENSEX of India?
 - a. 30
 - b. 50
 - c. 70
 - d. 80
14. Which of the following is not a credit rating agency?
 - a. CRISIL
 - b. ICRA
 - c. NIKKEI
 - d. CARE
15. Which of the following TERM does not belong to the stock exchange?
 - a. NAV
 - b. NSE
 - c. IPO
 - d. KPO
16. When was Nifty established?
 - a. 1996
 - b. 1952
 - c. 1965
 - d. None of these
17. Which of the following might you see roaming a stock market?
 - a. Goats
 - b. Bulls
 - c. Cows
 - d. Mice
18. In India, NIFTY and SENSEX are calculated on the basis of
 - a. Market Capitalization
 - b. Paid-up Capital
 - c. Free-float Capitalization
 - d. Authorized Share Capital
19. The first computerised online stock exchange in India was
 - a. NSE
 - b. OTCEI
 - c. BSE
 - d. MCX
20. The markets in which new securities are issued by the corporations to raise funds are called
 - a. Primary markets
 - b. Secondary markets
 - c. Gross markets
 - d. Proceeds market

(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. Discuss the role of various security market intermediaries. 10
2. What is Derivative? What are the advantages and disadvantages of options and futures? 2+4+4=10
3. Write short notes on (Any Two): 5×2=10
 - a) Algorithmic Trading
 - b) Intraday Trading
 - c) Swing Trading
 - d) Positional Trading
4. What is Stock Exchange? What are the main functions of the securities market? 2+8=10
5. Briefly discuss the SENSEX, NIFTY, and Bank NIFTY. 10
6. a) What is the difference between a stock broker and a sub-broker? 6+2+2=10
b) What is the concept of Merchant Bank and Portfolio Management
7. a) Explain the trading mechanism of NSE and BSE? 6+2+2=10
b) What is the concept of Demat account and Demat share.
8. Write short notes on (Any Two): 5×2=10
 - a) ADR
 - b) GDR
 - c) Indian Depository Receipts
 - d) Credit Rating Agency

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