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( CBCS )

( 6th Semester )

**COMMERCE**

**( Capital Market Operations )**

*Full Marks : 75*

*Time : 3 hours*

**INSTRUCTIONS TO CANDIDATES**

( Please read the instructions carefully before you start writing your answers )

1. Questions should be attempted as per instructions.
2. Do not copy the Questions. Indicate the Section and Question No. clearly while attempting the answer.
3. For Multiple choice answer, candidate should indicate the **Question No., Sub. No., (if any) and the correct answer. For example :**

1. *Name the State capital of Mizoram.*

(a) *Lunglei*

(b) *Aizawl*

(c) *Champhai*

Candidate should provide answer as—Q. No. 1 : (b) *Aizawl*

[ Candidate should **avoid** writing only (b) ]

4. The figures in the margin indicate full marks for the questions.

**( SECTION : A—OBJECTIVE )**

( Marks : 10 )

Choose the correct answer from the options provided (True or False) : 1×5=5

1. SEBI was established in the year 1988.  
(a) True  
(b) False
2. Listing is must in the market where the existing securities of companies are traded.  
(a) True  
(b) False
3. A speculator who anticipates rise in price in future is called Bull.  
(a) True  
(b) False
4. A derivative is set up in the form of trust.  
(a) True  
(b) False
5. The Depositories Act was enacted in 1997.  
(a) True  
(b) False

Choose the correct answer from the options provided (Multiple choice) : 1×5=5

6. The base year of BSE Sensex is  
(a) 1978–79  
(b) 1979–80  
(c) 1977–78  
(d) None of the above

**7. ELSS stands for**

- (a) Equity Linked Savings Scheme
- (b) Equity Linked Saving System
- (c) Equity Linked Saving Service
- (d) Entrepreneurs Linking Savings System

**8. The settlement cycle in NSE is**

- (a) T + 5
- (b) T + 3
- (c) T + 2
- (d) T + 1

**9. Insider trading means**

- (a) purchase of securities by owners of the company
- (b) taking advantages of internal price sensitive information for trading
- (c) trade for purchase of shares only by employees
- (d) investors sell their financial paper of relatives of the firms

**10. Who is the current Chairman of SEBI?**

- (a) U. K. Sinha
- (b) Ajay Tyagi
- (c) T. S. Vijayan
- (d) None of them

**( SECTION : B—SHORT ANSWER )**

( Marks : 15 )

3×5=15

Write short notes on the following :

1. The Securities Contracts (Regulation) Act, 1956

**OR**

Merchant Bankers

2. Pricing in primary market

**OR**

Rights issue

3. Secondary market

**OR**

National Stock Exchange

4. Commodity trading

**OR**

Options markets

5. Objectives of Central Depository Services Limited (CDSL)

**OR**

Objectives of National Securities Depository Limited (NSDL)

**( SECTION : C—DESCRIPTIVE )**

( Marks : 50 )

Answer the following questions :

10×5=50

**UNIT—I**

1. Discuss the objectives and role of the Securities and Exchange Board of India (SEBI).

**OR**

10

Explain the role and functions of Institutional Investors and Brokers in Indian Stock Market.

10



UNIT—II

2. State the objectives of listing of securities. Discuss the legal requirements for listing of securities in Indian Stock Market. 3+7=10

OR

What is public issue of shares? Discuss the classification of public issue in Indian Stock Market. 2+8=10

UNIT—III

3. Explain the important functions of Stock Exchange in India. 10

OR

Write notes on the following : 5×2=10

(a) Bombay Stock Exchange (BSE)

(b) Over-The-Counter Exchange of India (OTCEI)

UNIT—IV

4. Explain the methods of trading in mutual funds in India. 10

OR

Define derivative market. Outline the different types of features and options in India. 2+8=10

UNIT—V

5. Discuss the role, functions and importance of Depository System. 10

OR

Enumerate the objectives of stock market indices. Briefly discuss the method of computation of Sensex and Nifty. 4+6=10

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