(6 pages) **Reg. No. :** ....

Code No. : 21073 E **Sub. Code : FSCO 2 B/ FSPA 2 B/FSHO 2 B/ FSCR 2 B/FSBF 2 B/ FSBE 2 B/FSCV 2 B**

B.Com. (CBCS) DEGREE EXAMINATION, APRIL 2026.

Second Semester

Commerce/Professional Accounting/Honours/Corporate Secretaryship/Banking and Finance/Banking and E-Commerce/Computer Application

Skill Enhancement Course — STOCK MARKET OPERATIONS

(For those who joined in July 2024 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The two primary types of securities are ______________.
   (a) Shares and Mutual Funds
   (b) Debt and Equity
   (c) Commodities and Currencies
   (d) Bonds and Insurance

2. Systematic risk is also known as ______________
   (a) Diversifiable risk
   (b) Market risk
   (c) Unsystematic risk
   (d) Business risk

3. ______________ is NOT a function of the primary market.
   (a) Issuance of new securities
   (b) Trading of existing securities
   (c) Facilitating IPOs
   (d) Pricing of new issues

4. FPO stands for ______________.
   (a) First Public Offer
   (b) Follow-on Public Offer
   (c) Final Public Offer
   (d) Fractional Price Offer

5. A bear market is characterized by ______________.
   (a) Increasing stock prices
   (b) Decreasing stock prices
   (c) Stable stock prices
   (d) No trading activity

6. The main function of the secondary market is to provide ————.

(a) Capital to companies

(b) A platform for trading existing securities

(c) Funding for start-ups

(d) A mechanism for corporate governance

7. The main purpose of SEBI is to ————.

(a) Regulate insurance companies

(b) Supervise stock market activities

(c) Control inflation

(d) Regulate foreign exchange transactions

8. ———— Acts governs the securities contract and stock exchanges.

(a) SEBI Act, 1992

(b) Securities Contract Regulation Act, 1956

(c) Companies Act, 2013

(d) FEMA Act, 1999

9. The organization responsible for demat account regulation in India is ————.

(a) RBI (b) SEBI

(c) IRDA (d) PFRDA

10. A Depository Participant (DP) is similar to ————.

(a) A bank for securities

(b) A stock exchange

(c) An insurance agent

(d) A mutual fund advisor

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Explain the different types of securities.

Or

(b) What are the different types of risks associated with securities?

12. (a) Explain the role of merchant bankers in the securities market.

Or

(b) What are the functions of the primary market?

13. (a) Describe the mechanics of stock market trading.

Or

(b) Discuss the book-building method of pricing shares.

14. (a) Explain SEBI's role in investor protection and preventing market manipulation.

Or

(b) Enumerate the importance of ICDR (Issue of Capital and Disclosure Requirements) Regulations, 2018.

15. (a) Discuss the advantages of Demat accounts for investors.

Or

(b) Highlight the significance of Dematerialization in securities trading.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the development of the securities market in India.

Or

(b) Discuss the concept of return and its importance in investment decisions.

17. (a) Explain the various methods of floatation in the primary market.

Or

(b) Describe the pricing mechanism for IPOs and the significance of offer documents.

18. (a) Discuss the settlement procedure of stock trading in the secondary market.

Or

(b) Elaborate the different types of brokers in the secondary market.

19. (a) Explain the Securities Contract Regulation Act and its significance in the Indian securities market.

Or

(b) Elaborate on SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018.

20. (a) Explain the step-by-step procedure for opening a Demat account. What are the documents required?

Or

(b) Assess the importance of dematerialization and the role of depositories in demat trading.
